the Freeman

Ideas on Liberty

NOVEMBER 1983

In Memory of
LEONARD E. READ
Born September 26, 1898
Died May 14, 1983

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The Foundation

The Foundation for Economic Education was founded in 1946 by Leonard E. Read and, until his death in 1983, was under his direction and leadership. From the very beginning the Foundation has been a first-source and supporting institution to individuals concerned about freedom. The real reasons for freedom can only be grasped through an understanding of the free market, private property, limited government way of life and its philosophical antecedents. To this end FEE has remained a consistent proponent of the ideal concept of human liberty and a critic of collectivism in any of its forms.

The unfinished and unending pursuit of liberty Leonard Read began will be continued with vigor. Your help in this effort both honors his memory and contributes to the realization of his vision.

the
Freeman

This November 1983 issue of *The Freeman* is devoted to the memory of Leonard E. Read and is comprised primarily of some of the more memorable of his lectures and articles. For a list of his several books still in print, see page 704.

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IN MEMORY OF LEONARD E. READ
1898–1983

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A MONTHLY JOURNAL OF IDEAS ON LIBERTY

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Leonard E. Read, *1898–1983*

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Memorial Resolution

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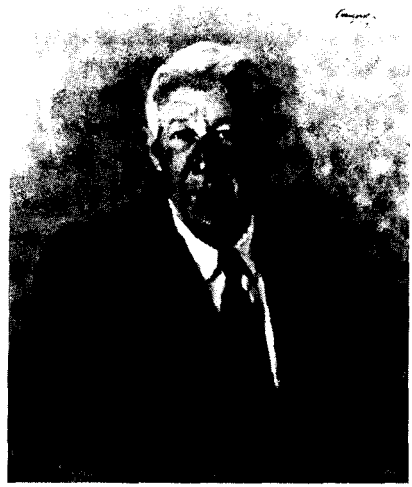

LEONARD E. READ
1898–1983

It is with deepest regret that we are compelled to note the passing of our founder and President, Leonard Read.

Leonard was born in rural Michigan just before the turn of the century. Farm chores plus clerking in the local store schooled him early in the work ethic.

Later, he earned his way through Ferris Institute, but interrupted his education to enlist in the army. The troopship, *Tuscania,* carrying him to Europe, was sunk off the Irish coast but Leonard made it to shore and served in England as a rigger with the air corps. After the war's end he was with the army of occupation in Germany before returning to Michigan.

Back in Ann Arbor he started a wholesale produce business. Despite long hours and hard work the business proved unprofitable. Staring at the accumulated debts, Leonard figured that the market was trying to tell him something. As he decoded the message, the market was telling him to go to California, which he did in 1925, with his wife and two young sons. After a stint in the real estate business he became Secretary of the Burlingame Chamber of Commerce where he discovered that he had a knack for organization. Within a few years he had become the Manager of the Western Division, U.S. Chamber of Commerce.

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By this time the nation was experiencing the early years of the New Deal, which had the Chamber's support, as well as the support of many businessmen—as well as such spokesmen as young Read.

A dramatic turn in Leonard's life took place at this time. A prominent Los Angeles businessman was openly critical of the New Deal and of the Chamber for supporting it, so Read decided to set him straight. Instead, Bill Mullendore set Leonard straight, and the two men became lifetime friends.

Leonard expounded his freedom philosophy in a book entitled *Romance of Reality,* published in 1937. It was this book that persuaded the Los Angeles Chamber of Commerce, the nation's largest, to oppose the collectivist drift by intellectual methods, and that Leonard was the man they needed as General Manager. Leonard became a nationally prominent figure during his six years in Los Angeles, gaining the confidence of leaders in business and public life.

Read came to New York in 1945 as the Executive Vice-President of the National Industrial Conference Board, but continued to nourish a dream born a few years earlier—of an independent organization which would stand uncompromisingly for freedom and publish literature in the modern idiom. The Foundation for Economic Education was the result, and the rest is history.

Leonard has preached the gospel of freedom all over the world, travelling two and one half million miles by air and scores of thousands of miles by other means. He has written twenty-nine books and numerous articles. But FEE is the enduring witness to Leonard's life.

Leonard's philosophy is, basically, that of the Declaration of Independence, to which he added a dash of mysticism, some hard-nosed free market economics, spiced by a dash of native American go-getter spirit. Leonard has always shunned argument and debate, preferring instead to win over his readers by striking illustrations, parables, and stories. His lifelong devotion to human freedom amounted to an obsession. He sought a better understanding of freedom and worked to expound it with ever greater clarity and persuasiveness. The methodology he stressed was based on self-improvement—let each person work on himself and present society with one improved unit.

The Foundation for Economic Education was born out of Leonard's original vision. It attests to the integrity and passion with which he served that vision; it is the monument by which he will be remembered—and that's the way he would want it. Leonard stood tall, and FEE is his lengthened shadow.

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The Essence of Americanism

SOMEONE ONCE SAID: It isn't that Christianity has been tried and found wanting; it has been tried and found difficult—and abandoned. Perhaps the same thing might be said about freedom. The American people are becoming more and more afraid of, and are running away from, their own revolution. I think that statement takes a bit of documentation.

I would like to go back, a little over three centuries in our history, to the year 1620, which was the occasion of the landing of our Pilgrim Fathers at Plymouth Rock. That little colony began its career in a condition of pure and unadulterated communism. For it made no difference how much or how little any member of that colony produced; all the produce went into a common warehouse under authority, and the proceeds of the warehouse were doled out in accordance with the authority's idea of need. In short, the Pilgrims began the practice of a principle held up by Karl Marx two centuries later as the ideal of the Communist Party: From each according to ability, to each according to need—and by force!

Now, there was a good reason why these communalistic or communistic practices were discontinued. It was because the members of the Pilgrim colony were starving and dying. As a rule, that type of experience causes people to stop and think about it!

Anyway, they did stop and think about it. During the third winter Governor Bradford got together with

This article was delivered as a speech in December 1961. Government spending and inflation, of course, have increased sharply beyond the figures applicable then.

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the remaining members of the colony and said to them, in effect: "This coming spring we are going to try a new idea. We are going to drop the practice of 'from each according to ability, to each according to need.' We are going to try the idea of 'to each according to merit.' " And when Governor Bradford said that, he enunciated the private property principle as clearly and succinctly as any economist ever had. That principle is nothing more nor less than each individual having a right to the fruits of his own labor. Next spring came, and it was observed that not only was father in the field but mother and the children were there, also. Governor Bradford records that "Any generall wante or famine hath not been amongst them since to this day."

It was by reason of the practice of this private property principle that there began in this country an era of growth and development which sooner or later had to lead to revolutionary political ideas. And it did lead to what I refer to as the real American revolution.

Now, I do not think of the real American revolution as the armed conflict we had with King George III. That was a reasonably minor fracas as such fracases go! The real American revolution was a novel concept or idea which broke with the whole political history of the world.

Up until 1776 men had been contesting with each other, killing each other by the millions, over the age-old question of which of the numerous forms of authoritarianism—that is, man-made authority—should preside as sovereign over man. And then, in 1776, in the fraction of one sentence written into the Declaration of Independence was stated the real American Revolution, the new idea, and it was this: "that all men are created equal; that they are endowed by their Creator with certain unalienable Rights; that among these are Life, Liberty and the pursuit of Happiness." That was it. This is the essence of Americanism. This is the rock upon which the whole "American miracle" was founded.

This revolutionary concept was at once a spiritual, a political, and an economic concept. It was spiritual in that the writers of the Declaration recognized and publicly proclaimed that the Creator was the endower of man's rights, and thus the Creator is sovereign.

It was political in implicitly denying that the state is the endower of man's rights, thus declaring that the state is not sovereign.

It was economic in the sense that if an individual has a right to his life, it follows that he has a right to sustain his life—the sustenance of life being nothing more nor less than the fruits of one's own labor.

It is one thing to state such a revolutionary concept as this; it's quite

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another thing to implement it—to put it into practice. To accomplish this, our Founding Fathers added two political instruments—the Constitution and the Bill of Rights. These two instruments were essentially a set of prohibitions; prohibitions not against the people but against the thing the people, from their Old World experience, had learned to fear, namely, over-extended government.

Benefits of Limited Government

The Constitution and the Bill of Rights more severely limited government than government had ever before been limited in the history of the world. And there were benefits that flowed from this severe limitation of the state.

Number One, there wasn't a single person who turned to the government for security, welfare, or prosperity because government was so limited that it had nothing on hand to dispense, nor did it then have the power to take from some that it might give to others. To what or to whom do people turn if they cannot turn to government for security, welfare, or prosperity? They turn where they should turn—to themselves.

As a result of this discipline founded on the concept that the Creator, not the state, is the endower of man's rights, we developed in this country on an unprecedented scale a quality of character that Emerson referred to as "self-reliance." All over the world the American people gained the reputation of being self-reliant.

There was another benefit that flowed from this severe limitation of government. When government is limited to the inhibition of the destructive actions of men—that is, when it is limited to inhibiting fraud and depredation, violence and misrepresentation, when it is limited to invoking a common justice—then there is no organized force standing against the productive or creative actions of citizens. As a consequence of this limitation on government, there occurred a freeing, a releasing, of creative human energy, on an unprecedented scale.

This was the combination mainly responsible for the "American miracle," founded on the belief that the Creator, not the state, is the endower of man's rights.

This manifested itself among the people as individual freedom of choice. People had freedom of choice as to how they employed themselves. They had freedom of choice as to what they did with the fruits of their own labor.

But something happened to this remarkable idea of ours, this revolutionary concept. It seems that the people we placed in government office as our agents made a discovery. Having acquisitive instincts for af-

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fluence and power over others—as indeed some of us do—they discovered that the force which inheres in government, which the people had delegated to them in order to inhibit the destructive actions of man, this monopoly of force could be used to invade the productive and creative areas in society—one of which is the business sector. And they also found that if they incurred any deficits by their interventions, the same government force could be used to collect the wherewithal to pay the bills.

I would like to suggest to you that the extent to which government in America has departed from the original design of inhibiting the destructive actions of man and invoking a common justice; the extent to which government has invaded the productive and creative areas; the extent to which the government in this country has assumed the responsibility for the security, welfare, and prosperity of our people is a measure of the extent to which socialism and communism have developed here in this land of ours.

The Lengthening Shadow

Now then, can we measure this development? Not precisely, but we can get a fair idea of it by referring to something I said a moment ago about one of our early characteristics as a nation—individual freedom of choice as to the use of the fruits of one's own labor. If you will measure the loss in freedom of choice in this matter, you will get an idea of what is going on.

There was a time, about 120 years ago, when the average citizen had somewhere between 95 and 98 per cent freedom of choice with each of his income dollars. That was because the tax take of the government—federal, state, and local—was between 2 and 5 per cent of the earned income of the people. But, as the emphasis shifted from this earlier design, as government began to move in to invade the productive and creative areas and to assume the responsibility for the security, welfare, and prosperity of the people, the percentage of the take of the people's earned income increased. The percentage of the take kept going up and up and up until today it's not 2 to 5 per cent. It is now over 35 per cent.

Many of my friends say to me, "Oh, Read, why get so excited about that? We still have, on the average, 65 per cent freedom of choice with our income dollars."

I would like to interpolate here a moment and say that we ought to be careful how we use that term, "on the average." Take a person who works 40 hours a week, who goes to work at 8:00 o'clock in the morning, takes an hour off for lunch, works Monday through Friday. That's 40 hours. The average person in this country has to work all Monday and

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until 2:15 on Tuesday for the government before he can start working for himself.

But, if the individual has been extraordinarily successful, he finds that he has to work all day Monday, Tuesday, Wednesday, Thursday, and until noon on Friday for the government before he can start earning for himself!

Nonetheless, on the average, we do have 65 per cent freedom of choice with our earned income. But, please take no solace from this fact for it has been discovered, as research work has been done on the fiscal behavior of nations covering a period of many centuries—this is a very important point—that whenever the take of the people's earned income by government reaches a certain level—20 or 25 per cent—it is no longer politically expedient to pay for the costs of government by direct tax levies. Governments then resort to inflation as a means of financing their ventures. This is happening to us now! By "inflation" I mean increasing the volume of money by the national government's fiscal policy. Governments resort to inflation with popular support because the people apparently are naive enough to believe that they can have their cake and eat it, too. Many people do not realize that they cannot continue to enjoy so-called "benefits" from government without having to pay for them. They do not appreciate the fact that inflation is probably the most unjust and cruelest tax of all.

Methods of Inflation

There are numerous ways governments have inflated. You may recall reading in your history books about coin clipping. That was where the sovereign called in the coin of the realm and clipped off the edges. He kept the edges and returned the smaller pieces to the owners. That was a good stunt until the pieces got too small to be returned.

During the French revolutionary period, the government got itself into dire financial straits and began to issue an irredeemable paper money, known as "assignats," secured, not by gold but by confiscated church properties. Well, of course, France went bankrupt under that.

In Argentina, a situation with which I am reasonably familiar, the policy of the national government has been to spend about 100 billion pesos a year. But all they can collect by direct tax levies are 50 billion pesos a year. How do they handle that? Very simple. They just print 50 billion pesos a year. You don't have to be a great economist to realize that when you increase the volume of money, everything else being equal, the value of money goes down. And when the value of money goes down, all things being equal, prices tend to rise.

You can imagine what has hap-

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pened to bank accounts, insurance, social security, and to all forms of fixed income in Argentina. They are practically worthless.

Now in this country, we have a method of inflation which has one distinguishing merit. It is so complicated that hardly anyone can understand it.

What we do here is monetize debt. The more we go in debt the more money we have. Since we started our program of monetizing debt and deficit financing, we have enormously increased the quantity of our money. You have observed that our dollar isn't worth quite as much as it used to be. Perhaps you have also observed that prices are tending to increase.

The Russians, in my judgment, have the most honest system of dishonesty. There the government compels the people to buy government bonds. And then, after the people have bought the government bonds, the government cancels them. There are quite a number of Russians who are aware that some sort of chicanery is going on.

Frankly, I wish we were using this system, because then more people would understand the significance of inflation. If we were inflating this crudely, our people wouldn't be fooled as they are now.

What I am trying to say is this: Inflation is the fiscal concomitant of socialism or the welfare state or state interventionism—call it what you will. Inflation is a political weapon. There are no other means of financing the welfare state except by inflation.

So, if you don't like inflation, there is only one thing you can do: assist in returning our government to its original principles.

One of my hobbies is cooking and, therefore, I am familiar with the gadgets around the kitchen. One of the things with which I am familiar is a sponge. A sponge in some respects resembles a good economy. A sponge will sop up an awful lot of mess; but when the sponge is saturated, the sponge itself is a mess, and the only way you can make it useful again is to wring the mess out of it. I hope my analogy is clear.

I want to say a few more things about inflation because it is particularly relevant to this country. To do this I want to take a look at somebody else because it's always difficult to look at ourselves. Let's take a look at France, which in numerous respects has resembled the United States economically.

French Experience

France began this thing I am talking about—that is, government invasion of productive and creative areas, government assuming the responsibility for the security, welfare, and prosperity of the French people—just 47 years ago, in 1914.

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If my previous contentions are correct, the French franc should have lost some of its purchasing power in these 47 years for, I have argued, state intervention can be financed only by increasing the volume of the money and such increases result in a decline of the circulating medium's value. Thus, the franc should have declined in value. How much?

The French franc has less than one-half of one per cent of the purchasing value it had 47 years ago, or to put it another way, the franc has lost more than 99½ per cent of its value in these few years, and by reason of inflation brought about by government intervention.

In Paris, during World War I, I bought a dinner for 5 francs, then the equivalent of the 1918 dollar. I didn't get to Paris again until 1947. I took a friend to lunch, admittedly at a better restaurant than the one I went to as a soldier boy. But I didn't pay 20 or 30 or 50 francs for the two luncheons. I paid 3,400 francs! I was there two years later with Mrs. Read, same restaurant, same food, because I wished to compare prices. It wasn't 3,400 but 4,100! Recently, when I was in Paris, the price for the same two luncheons was about 6,000 francs.

Visualize with me, if you can, a Frenchman back in the year 1914. Let's say he was in his late teens. A forethoughtful lad, he was looking forward to the year of 1961 when he would reach the age of retirement. So, at that time he bought a paid-up annuity, one which would return him 1,000 francs a month beginning January 1961. Well, back then he could have eaten as well on 1,000 francs as Grace Kelly's husband. But my doctor friends are of the opinion that no one can exist on only one meal every 30 days. That is all 1,000 francs will buy today, and that would be a meal about one-third the quality that any of us would buy were we in France at this time.

"Creeping" or "Galloping"?

Inflation, in popular terms, is divided into two types. There is what is called "creeping inflation," and what is called "galloping inflation." "Creeping inflation" is supposed to be the type that we are now experiencing.

I don't think the term is quite lusty enough to describe a dollar that has lost somewhere between 53 and 62 per cent of its value since 1939.

"Galloping inflation" is the type that went on in Germany during the years after World War I, in France after the revolutionary period, in China recently, and in the Latin American countries today. Here is an example of what I mean.

I hold in my hand the currency of Bolivia. This little piece is 10,000 Bolivianos. In 1935 this piece of paper was worth 4,600 present-day dollars. Do you know what it's worth now? Eighty cents! That's what you

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call "galloping inflation." It was all brought about—they didn't have any wars—by government interventionism.

Now then, what I want to suggest is that inflation in this country has ever so many more catastrophic potentials than has ever been the case in any other country in history. We here are the most advanced division-of-labor society that has ever existed. That is, we are more specialized than any other people has ever been; we are further removed from self-subsistence.

Indeed, we are so specialized today that every one of us—everybody in this room, in the nation, even the farmer—is absolutely dependent upon a free, uninhibited exchange of our numerous specialties. That is a self-evident fact.

Destroying the Circulatory System

In any highly specialized economy you do not effect specialized exchanges by barter. You never observe a man going into a gasoline station saying, "Here is a goose; give me a gallon of gas." That's not the way to do it in a specialized economy. You use an economic circulatory system, which is money, the medium of exchange.

This economic circulatory system, in some respects, can be likened to the circulatory system of the body, which is the blood stream.

The circulatory system of the body picks up oxygen in the lungs and ingested food in the mid-section and distributes these specialties to the 30 trillion cells of the body. At those points it picks up carbon dioxide and waste matter and carries them off. I could put a hypodermic needle into one of your veins and thin your blood stream to the point where it would no longer make these exchanges, and when I reached that point, we could refer to you quite accurately in the past tense.

By the same token, you can thin your economic circulatory system, your medium of exchange, to the point where it will no longer circularize the products and services of economic specialization. When this happens, the economy of our nation will be "discombobulated."

Let me show you how it works. Right after the Armistice my squadron was sent to Coblenz with the Army of Occupation. The German inflation was underway. I didn't know any more then about inflation than most Americans do now. I liked what I experienced—as do most Americans now—because I got more marks every payday than the previous payday—and not because of a raise in pay. I had security. The government was giving me food, shelter, clothing, and so forth. I used the marks to shoot craps and play poker, and the more marks, the more fun.

German inflation continued with mounting intensity and by 1923 it

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got to the point where 30 million marks would not buy a single loaf of bread.

About the time I arrived, an old man died and left his fortune to his two sons, 500,000 marks each. One boy was a frugal lad who never spent a pfennig of it. The other one was a playboy and spent it all on champagne parties. When the day came in 1923 that 30 million marks wouldn't buy a loaf of bread, the boy who had saved everything had nothing, but the one who spent his inheritance on champagne parties was able to exchange the empty bottles for a dinner. The economy had reverted to barter.

Those of you who are interested in doing something about this, have a right to ask yourselves a perfectly logical question: Has there ever been an instance, historically, when a country has been on this toboggan and succeeded in reversing itself? There have been some minor instances. I will not attempt to enumerate them. The only significant one took place in England after the Napoleonic Wars.

How England Did It

England's debt, in relation to her resources, was larger than ours is now; her taxation was confiscatory; restrictions on the exchanges of goods and services were numerous, and there were strong controls on production and prices. Had it not been for the smugglers, many people would have starved!

Now, something happened in that situation, and we ought to take cognizance of it. What happened there might be emulated here even though our problem is on a much larger scale. There were in England such men as John Bright and Richard Cobden, men who understood the principle of freedom of exchange. Over in France, there was a politician by the name of Chevalier, and an economist named Frederic Bastiat.

Incidentally, if any of you have not read the little book by Bastiat entitled, *The Law,* I commend it as the finest thing that I have ever read on the principles one ought to keep in mind when trying to judge for oneself what the scope of government should be.

Bastiat was feeding his brilliant ideas to Cobden and Bright, and these men were preaching the merits of freedom of exchange. Members of Parliament listened and, as a consequence, there began the greatest reform movement in British history.

Parliament repealed the Corn Laws, which here would be like repealing subsidies to farmers. They repealed the Poor Laws, which here would be like repealing Social Security. And fortunately for them they had a monarch—her name was Victoria—who relaxed the authority that the English people themselves

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believed to be implicit in her office. She gave them freedom in the sense that a prisoner on parole has freedom, a permissive kind of freedom but with lots of latitude. Englishmen, as a result, roamed all over the world achieving unparalleled prosperity and building an enlightened empire.

This development continued until just before World War I. Then the same old political disease set in again. What precisely is this disease that causes inflation and all these other troubles? It has many popular names, some of which I have mentioned, such as socialism, communism, state interventionism, and welfare statism. It has other names such as fascism and Nazism. It has some local names like New Deal, Fair Deal, New Republicanism, New Frontier, and the like.

A Dwindling Faith in Freedom

But, if you will take a careful look at these so-called "progressive ideologies," you will discover that each of them has a characteristic common to all the rest. This common characteristic is a cell in the body politic which has a cancer-like capacity for inordinate growth. This characteristic takes the form of a belief. It is a rapidly growing belief in the use of organized force—government—not to carry out its original function of inhibiting the destructive actions of men and invoking a common justice, but to control the productive and creative activity of citizens in society. That is all it is. Check any one of these ideologies and see if this is not its essential characteristic.

Here is an example of what I mean: I can remember the time when, if we wanted a house or housing, we relied on private enterprise. First, we relied on the person who wanted a house. Second, we relied on the persons who wanted to compete in the building. And third, we relied on those who thought they saw some advantage to themselves in loaning the money for the tools, material, and labor. Under that system of free enterprise, Americans built more square feet of housing per person than any other country on the face of the earth. Despite that remarkable accomplishment, more and more people are coming to believe that the only way we can have adequate housing is to use government to take the earnings from some and give these earnings, in the form of housing, to others. In other words, we are right back where the Pilgrim Fathers were in 1620-23 and Karl Marx was in 1847—from each according to ability, to each according to need, and by the use of force.

As this belief in the use of force as a means of creative accomplishment increases, the belief in free men—that is, man acting freely, competitively, cooperatively, voluntarily—correspondingly diminishes. In-

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crease compulsion and freedom declines. Therefore, the solution to this problem, if there be one, must take a positive form, namely, the restoration of a faith in what free men can accomplish.

Let me give you an example of how faith in free men is lost. If I were to go out today and ask the people I meet, "Should government deliver mail?" almost everybody would say, "Yes." Why would they say yes? One reason is that the government has pre-empted that activity, has had a monopoly for so many decades that entrepreneurs today would not know how to go about delivering mail if it were a private enterprise opportunity. You know, you businessmen have a very odd characteristic. You don't spend any time working on something you will never get a chance to try out!

Anyway, I did a little research job a while ago and found that we deliver more pounds of milk in this country than we do pounds of mail. I next made a more startling discovery. Milk is more perishable than a love-letter, a catalogue, or things of that sort. And third, I found out that we deliver milk more efficiently and more cheaply. I asked myself what appeared to be a logical question: Why should not private enterprise deliver mail? We deliver freight, and that's heavier. But many people have lost faith in themselves to deliver as simple a thing as a letter!

Who are these people who have lost faith in themselves to deliver a letter? I am going to stick just to the subject of delivery and to recent times.

Less than a hundred years ago the human voice could be delivered the distance that one champion hog-caller could effectively communicate with another champion hog-caller, which I have estimated at about 44 yards. Since that time man, acting freely, privately, competitively, voluntarily, has discovered how to deliver the human voice around the earth in 1/7 of a second—one million times as far in about the same time that the voice of one hog-caller reached the ear of the other. When men were free to try, they found out how to deliver an event like the Rose Bowl game in motion and in color into your living room while it is going on. When men were free to try, they found out how to deliver 115 individuals from Los Angeles to Baltimore in three hours and nineteen minutes. When men are free to try, they deliver gas from a hole in the ground in Texas to my range at Irvington, New York, without subsidy and at low prices. Men who are free to try have discovered how to deliver 64 ounces of oil from the Persian Gulf to our eastern seaboard, more than half the way around the world for less money than government will deliver a one-ounce letter across the street in your home town. And the

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people who accomplish these miracles have lost faith in their capacity to deliver a letter, which is a Boy Scout job. You may get the idea that when it comes to productive and creative work, I have more faith in free men than in government.

Now then, why is this happening to us? I don't know all the reasons. I am not sure that anyone does. If pressed, however, for the best reason I could give, the most profound one, it would be this: the American people, by and large, have lost track of the spiritual antecedent of the American miracle. You are given a choice: either you accept the idea of the Creator as the endower of man's rights, or you submit to the idea that the state is the endower of man's rights. I double-dare any of you to offer a third alternative. We have forgotten the real source of our rights and are suffering the consequences.

Millions of people, aware that something is wrong, look around for someone to blame. They dislike socialism and communism and give lip service to their dislike. They sputter about the New Frontier and Modern Republicanism. But, among the millions who say they don't like these ideologies, you cannot find one in ten thousand whom you yourself will designate as a skilled, accomplished expositor of socialism's opposite—the free market, private property, limited government philosophy with its moral and spiritual antecedents. How many people do you know who are knowledgeable in this matter? Very few, I dare say.

Developing Leadership

No wonder we are losing the battle! The problem then—the real problem—is developing a leadership for this philosophy, persons from different walks of life who understand and can explain this philosophy.

This leadership functions at three levels. The first level requires that an individual achieve that degree of understanding which makes it utterly impossible for him to have any hand in supporting or giving any encouragement to any socialistic activities. Leadership at this level doesn't demand any creative writing, thinking, and talking, but it does require an understanding of what things are really socialistic, however disguised. People reject socialism in name, but once any socialistic activity has been Americanized, nearly everybody thinks it's all right. So you have to take the definition of socialism—state ownership and control of the means of production—and check our current practices against this definition.

As a matter of fact, you should read the ten points of the *Communist Manifesto* and see how close we have come to achieving them right here in America. It's amazing.

The second level of leadership is

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reached when you achieve that degree of understanding and exposition which makes it possible to expose the fallacies of socialism and set forth some of the principles of freedom to those who come within your own personal orbit. Now, this takes a lot more doing.

One of the things you have to do to achieve this second level of leadership is some studying. Most people have to, at any rate, and one of the reasons the Foundation for Economic Education exists is to help such people. At the Foundation we are trying to understand the freedom philosophy better ourselves, and we seek ways of explaining it with greater clarity. The results appear in single page releases, in a monthly journal, in books and pamphlets, in lectures, seminars, and the like. Our journal, *The Freeman,* for instance, is available to anyone on request. We impose no other condition.

The third level of leadership is to achieve that excellence in understanding and exposition which will cause other persons to seek you out as a tutor. That is the highest you can go, but there is no limit as to how far you can go in becoming a good tutor.

When you operate at this highest level of leadership, you must rely only on the power of attraction. Let me explain what I mean by this.

On April 22 we had St. Andrew's Day at my golf club. About 150 of us were present, including yours truly. When I arrived at the club, the other 149 did not say, "Leonard, won't you please play with me? Won't you please show me the proper stance, the proper grip, the proper swing?" They didn't do it. You know why? Because by now those fellows are aware of my incompetence as a golfer. But if you were to wave a magic wand and make of me, all of a sudden, a Sam Snead, a Ben Hogan, an Arnold Palmer, or the like, watch the picture change! Every member of that club would sit at my feet hoping to learn from me how to improve his own game. This is the power of attraction. You cannot do well at any subject without an audience automatically forming around you. Trust me on that.

If you want to be helpful to the cause of freedom in this country, seek to become a skilled expositor. If you have worked at the philosophy of freedom and an audience isn't forming, don't write and ask what the matter is. Just go back and do more of your homework.

Actually, when you get into this third level of leadership, you have to use methods that are consonant with your objective. Suppose, for instance, that my objective were your demise. I could use some fairly low-grade methods, couldn't I? But now, suppose my objective to be the making of a great poet out of you. What could I do about that? Not a thing—

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unless by some miracle I first learned to distinguish good poetry from bad, and then learned to impart this knowledge to you.

The philosophy of freedom is at the very pinnacle of the hierarchy of values; and if you wish to further the cause of freedom, you must use methods that are consonant with your objective. This means relying on the power of attraction.

Let me conclude with a final thought. This business of freedom is an ore that lies much deeper than most of us realize. Too many of us are prospecting wastefully on the surface. Freedom isn't something to be bought cheaply. A great effort is required to dig up this ore that will save America. And where are we to find the miners?

Well, I think maybe we will find them among those who are reasonably intelligent. I think we will find these miners of the freedom-ore among those who love this country. I think we will probably find them in this room. And if you were to ask me who, in my opinion, has the greatest responsibility as a miner, I would suggest that it is the attractive individual occupying the seat you are sitting in.

» "Thou shalt not steal" presupposes private ownership. Sharing ideas suggests having ideas to share. Charity is possible only if one has something to give. Plainly, the excellence of our performance as social beings stems from private ownership of our labor and its fruits, whether material, moral, intellectual, or spiritual.

» Legislatures, laws, courts, constabularies, bureaucracies can do little more than exert a mild influence along lines consistent with the current consensus. The consensus moves this way or that in accord with its content; it rises when filled with truths and virtues and sinks when bogged down with nonsense. So, what I can do about the government depends upon the quality of the ideas I feed into the consensus. This defines both my limitation and my potentiality.

» "More powerful than armies," thought Victor Hugo, "is an idea whose time has come." And more powerful, I would add, than political action or any other form of pseudo-suasion! Only ideas can reverse the present trend toward all-out statism.

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Those Things Called Money

ACCORDING to Ed Wynn, "What this country needs is a good five-cent nickel."

Nearly everyone at this moment of money madness will agree with Wynn's statement—humorous but sound. H. B. Bohn remarked: "Of money, wit, and virtue, believe one-fourth of what you hear." As to wit and virtue, Bohn may be right. But I doubt that as much as a fourth of what we hear about money is worth serious consideration, for most of the pronouncements stem from a premise that it is a function of government to issue money and regulate the value thereof. The premise seems wrong to me. I believe that if money is to be useful to traders as a medium of exchange then the decisions as to what shall serve as money must be worked out by traders in the market, *voluntarily,* rather than by governmental edict.

If you are further interested in what I believe, reflect for a moment on the various commodities and other things that have been used for money: wampum, sea shells, salt, fur, dried fish, ivory, cigarettes, silk stockings, gold and other metals—the list is long. These are some of the things called money, but note that of those listed thus far, all are commodities that, at the time, were in common use in trade—so common that they were useful as a medium of exchange.

But things of a different category, "non-commodities," also are called money—and thereby hangs our tale. German marks are things; in 1923

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five billion of these things wouldn't buy a loaf of bread. Paper dollars also are things called money—legal tender—government money which the law requires a creditor to accept in payment of a debt. Or to put it another way, government money, if created out of thin air by edict, is in no sense a scarce and valuable resource useful to traders but is rather a means of taxing or taking scarce resources from the market without offering anything useful in exchange. Such "money" may be a clever form of taxation, but it is far worse than useless as a medium of exchange.

Not Worth a Continental?

Am I arguing that government money never has been "worth a Continental"? Not necessarily. If a government issues paper receipts that are fully backed by some valuable and widely acceptable item of trade—fully redeemable upon demand by the bearer—such receipts may serve very well as a medium of exchange. But, of course, there's no reason on earth why the issuance of warehouse receipts should be a governmental function. Let anyone do it who has a warehouse, and printing press, and a sufficient stock of gold or silver or whatever else the receipt calls for. And let government intervene only to see that the receipts are not fraudulent—counterfeit.

> If money is to be useful to traders as a medium of exchange then the decisions as to what shall serve as money must be worked out by traders in the market, rather than by governmental edict.

I am well aware that some governments of some nations at some times have been in charge of monetary policy with quite satisfactory results, when the policy was to mint standardized coins and issue receipts fully redeemable in some well-known and highly marketable commodity. But there is no reason to suppose that the managers of a governmental monopoly will long function in competitive fashion if the monopoly can be exploited to gain additional political power. And it doesn't take a genius to figure how to exploit a money monopoly: just print bogus warehouse receipts and declare them to be legal tender; then pass laws to penalize suppliers of goods or services who refuse to accept the bogus receipts at face value. Finally, this can be pushed to the point of issuing receipts based not on the *fullness* of the warehouse but on its *emptiness* instead—the use of the national debt as the backing for the paper money.

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What would be the grossest fraud if an individual tried it has become the common practice of governments—all quite legal because it is a governmental monopoly. And the result is a runaway inflation that disrupts business activities and hinders rather than facilitates trade. This is why governments cannot be trusted with power to determine what traders should use as a medium of exchange. Let the traders choose. Leave the decisions about money to the market. Limit the government to its proper function of policing the market and punishing traders who cheat or rob or willfully injure other peaceful persons.

There Is No Blueprint

When I say that decisions about money should be left to the market, I do not presume to know precisely what those decisions might be. Nor do I find much agreement among monetary experts as to what those decisions ought to be. Would traders insist on pure gold as money? Would they use checking accounts or American Express or credit cards? Would they patronize banks and insist on 100 per cent reserves? I don't know, and I'm not terribly concerned that no one else seems to know precisely. What I am concerned about is that men be free to choose whatever best seems to serve their own respective purposes. And I believe that from such freedom to succeed or fail in open competition in the market will come the most nearly perfect and tamper-proof monetary policy humanly possible.

Leave the decisions about money to the market. Limit the government to its proper function of policing the market and punishing traders who cheat or rob or willfully injure other peaceful persons.

How much understanding of money is required of us? No more understanding than any one of us has about how to make a jet airplane.

To support this point, let me repeat for the umpteenth time that no single person knows how to make an ordinary wooden lead pencil, explained in a brevity entitled, "I, Pencil." Yet, the year that piece was written, we made in the U.S.A. 1,600,000,000 wooden pencils. How come? How explain a know-how that exists in no one of us, even remotely? My answer: It is the overall luminosity, the wisdom in the free market. When millions of people are free to act creatively as they choose, an unimaginable wisdom is the consequence. To assert that it is a billion times greater than exists in any discrete individual would be a gross understatement.

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Keep in mind that any single person's understanding of how money could be made to serve us honestly and efficiently is precisely as impossible as understanding how to make a pencil!

It is appropriate at this point to ask a question to which no one has a correct answer: What would be the medium-of-exchange situation were it left not to dictocratic control but to the fantastic wisdom of the market? To hazard a guess would be to feign a clairvoyance beyond human experience. Guessing would be as farfetched as expecting Socrates to have foreseen and described the makings of present-day air travel, electric lighting, the human voice delivered around the earth in one-seventh of a second, my dictaphone, or a thousand and one other phenomena. I call these "phenomena" because no one understands or can describe the genesis of these countless economic blessings even after their existence! The wisdom that accounts for them is not in you or me; it derives from the overall luminosity. *Why then should we not entrust money—the medium of exchange—to this same wisdom rather than to the coercive power of those now in public office?*

Yes, what this country needs is a good five-cent nickel. The way is clear: Relegate organized force—government—to the defense of life and property, invoking a common justice, keeping the peace. And leave all creative activities, including the medium of exchange—money—to the wisdom of the market. Do this or our country will end up with a five-cent thousand-dollar bill.

Difficult? Yes! Impossible? Who knows! One thing for certain: Turning money affairs over to the free market is no more an idealistic dream than reducing government to its proper role. And, another thing for certain: Standing for that which seems politically expedient or feasible gains nothing; such techniques are doomed to failure. On the other hand, every boon to mankind has had its birth in the pursuit and upholding of what's right. Humanity has been graced with many boons, every one of which was first thought to be impossible. Bear in mind that righteousness, as well as faith, works miracles.

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Looking Out for Yourself

FIRST, may I offer you hearty and well deserved congratulations on completing the formal, institutional phase of your education. And I especially offer you best wishes for the next and most important phase of your education—that which is to come under your own management. For assuredly, graduates of this splendid Institute will avoid an all too common error—the notion that the beginning of earning is the end of learning!

It is not at all improbable that you have, until now, been so engrossed in technical and other formal educational pursuits, that you have given but scant thought to the educational program you must resolve for yourself, beginning tomorrow. I would like to present for your consideration some of the problems I foresee for you, issues with which students of specialized subjects may not be too familiar.

Unless you are alerted, or are different from most of the folks I know, you can easily remain unaware of the two opposed ways of life that will be contesting for your attention and support in the years ahead. One of these ways—the collectivistic—has by far the most numerous adherents. Indeed, you will be fortunate if you find even a few individuals who harbor no collectivism whatever. Collectivism is easy enough to identify when it comes plainly tagged as socialism, communism, Fabianism, Nazism, the Welfare State, the planned economy, or state interventionism. But one has to be sharply discriminating to discern it when it is untagged or concealed; when it is

From a 1956 college commencement address.

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offered as proper fare by so-called conservative political parties; when it is endorsed by many high-ranking business leaders and their organizations; or when it is urged upon you by your best friends.

Collectivism is a system or idea which holds that the collective—as distinguished from the individual—is what counts. Individual hopes, aspirations, and needs are subordinated to what is termed "the collective good." Practically, no such system can be implemented unless some person or set of persons interprets what "the collective good" is. Since it is impossible to obtain unanimous and voluntary agreements to these interpretations, they have to be enforced—and enforcement requires a police arrangement which in turn dominates the lives of all persons embraced by the collective. Implicit in all authoritarian systems are wage and price controls, dictation as to what will be produced and distributed, and by whom.

Russia is the world's most pronounced example, but here at home we see the same thing rearing its head in the form of rent control, Valley Authorities, public housing, parity prices, acreage allotments, union monopoly, federal subsidies of every description, federal subventions to states and cities and districts, governmental foreign-aid programs, import quotas, tariffs, manipulation of money, such as the monetization of debt, and so forth.

However, it is more or less idle for me to dwell on what I believe to be error. As has been well repeated over and over again, "It is better to light a candle than to damn the darkness." A much sounder approach is to displace the wrong by advancing the right, to argue positively instead of negatively. With this in mind, I should like to take sides in the ideological conflict of our times and commend to your attention the way of life which is the opposite of collectivism. This way of life, also, has numerous labels, but I'm going to give it a simple and descriptive name, "Looking Out for Yourself." That's about as opposite as you can get from having the government looking out for you.

A Positive Approach

Now there's a lot more to this looking-out-for-yourself philosophy than first meets the eye. To the unreflective person—to the victim of clichés and catch phrases—it will suggest a life of non-cooperation, greed, the law of the jungle, and no concern for the well-being of others. But, be not deceived. If you intelligently look out for yourself, you will thereby follow the way of life most valuable to others.

Perhaps you will better understand this idea when I explain why there isn't anyone on earth you can constructively control except your-

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Creatively, man has no control over others, no power over others, except the power of attraction; and even then, it is the other person who decides upon and determines the degree of attraction.

self. Control can be divided into two types, the destructive and the creative. It is simple enough to control others destructively. Little intellectual achievement is required to restrain others, to inhibit their actions, to destroy their lives. There are all sorts of ways to get on the backs of others and hinder them in their creative actions. But the hindering type of control is quite different from the helping type. The hindering type rests primarily and ultimately on the application of brute or physical force.

The Limited Role of Force

Now brute or physical force is all right if confined to its proper sphere—that is, restraining and inhibiting destructive actions such as violence, fraud, misrepresentation, and predation against peaceful persons. Broadly speaking, this is the logical function of government. In sound theory, government should use its police powers only to do for all of us equally that which each of us has a moral right to do for himself in defense of his life, liberty, and property. It should apply physical force only defensively in order to repel that which is evil and unjust.

It should be clearly understood that brute, physical, or police force cannot constructively help anyone. It can give only a negative assist by clearing the obstacles from the road to opportunity. No person, nor any set of persons, can physically force anyone to invent, to discover, to create. Let us face this fact: One can have no control whatever over any other person creatively. We are indeed fortunate if we have very much control even over ourselves creatively. In any event, such creative control as any of us possesses is confined strictly and exclusively to self.

Creatively, man has no control over others, no power over others, except the power of attraction; and even then, it is the other person who decides upon and determines the degree of attraction. This is a God-bestowed limitation on all men for which we should be forever grateful. I, at least, am pleased that others cannot *compel* me to accept as eternal verities that which they claim to know. And I am even more pleased that I cannot force my opinions and beliefs upon others.

The Power of Attraction

The power of attraction is always and forever a subjective judgment!

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One may be attractive to none, to a few, to many. Figuratively, others look us over and decide for themselves whether or not we have anything worth their consideration. After all these years of schooling, you fully realize that no teacher is ever self-designated. It has always been you who decided what, if anything, you learned from your teachers. Or, to use a more obvious example, it is the person with the receiving set who does the tuning in—it is never the broadcaster.

Put it this way: I can help you in a material sense only if I have money to lend or give to you, or goods and services to exchange with you. I cannot help you materially if I am a pauper. Intellectually, I can assist you if I possess understanding not yet yours. The moron can give us no help intellectually. Spiritually, I can be of value to you only if I am in possession of insights which you have not yet experienced. Materially, intellectually, and spiritually, I am limited as to what I can do for any other person by what I have to give, by how well I have looked out for myself in these areas.

Once we have grasped the idea that the best way to help others is first to look out for ourselves, we should next consider how important it is that we do help others. I would like to emphasize the point that each of us, if self-interest be interpreted accurately, has a vested interest in the material, intellectual, and spiritual well-being of others; that our very existence depends on others.

Materially, intellectually, and spiritually, I am limited as to what I can do for any other person by what I have to give, by how well I have looked out for myself in these areas.

A Society of Specialists

To appreciate the extent of our dependence on others, we need but realize that we are living in the most specialized, the most advanced division-of-labor, the most removed-from-self-subsistence society in all of recorded history.

For example, you will discover, as you take up your highly specialized tasks, that someone else will be growing, processing, and delivering your food, that someone else will be making your clothing, building your home, providing your transportation, supplying your heat, and making available to you most of the new knowledge you acquire. Indeed, you will discover that individuals from all over this earth will be at your service, willingly exchanging their millions of specialties for your own single specialty. You will discover that you will consume in a single day that which you could not possi-

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bly produce solely by yourself in thousands of years. You will see about you a release and exchange of creative energies so fabulous that no living man can trace or diagnose the miracle. You will, for instance, pick up the receiver of a telephone, and instantly there will flow to your personal service the creative energies of Alexander Graham Bell—of tens of thousands of metallurgists, engineers, scientists, operators, linesmen—a complex of creative energies flowing through space and time in order that you may talk to your parents or friends in a matter of seconds.

No one of us can exist without these others. And I repeat, each of us has a vested and vital interest in the creative energies of other people and in the uninhibited exchange of their services, ideas, and insights. We must, if we would intelligently look out for ourselves, see to it as best we can that these others be free of private or political marauders, interventionists, and parasites. Any inhibition to their creative lives is opposed to your and my personal interests, and we err and do not look out for ourselves if we sanction or fail to oppose such debasement. And further, it is incumbent upon all of us to rise as far as we can in our own intellectual and spiritual statures so that these others, on whom we depend, may find something in turn to draw from us.

> Material wealth, morally speaking, is but the means to free us from lower employments so that we may labor more industriously at higher employments, that we may develop more fully the life of the intellect and of the spirit.

There is another point about this highly specialized society which deserves your reflection. You men and women, highly trained as specialists yourselves, represent the cream of this year's crop. Tomorrow, you will enter a society in which there will be millions of specialists, the cream of numerous former crops. I hope you will not emulate so many of them who attend only to their own specialties and little else beyond acquiring wealth and entertainment. Perhaps the most dangerous trend of our times is this: Specialists—the cream of the crop in intellectual and spiritual potentialities—who, by attending only to their diverse specializations, leave to the skim milk of the crop the vital problems of man's proper relationships to man.

Danger of Overspecialization

Specialization has its unquestioned blessings. But there is always the danger, which we are now witnessing, of its taking off like spokes

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from the hub of a wheel, on and on with no regard to boundary or periphery, with each specialist heading into an ever-advancing remoteness, into an atomistic world of his own, always widening his distance from others, losing social cohesiveness with society disintegrating as each of us loses integration with others, with communication between specialists becoming more and more impossible, with nearly all specialists "too busy" to read, study, and meditate on the general problems of man's proper relationships to man. When these trends characterize a society, that society isn't merely doomed to collapse; it is destined to explode! If you would look out for yourself—and thus for others—you will by example and precept do your part in reversing such trends.

In order that I be not misunderstood, I repeat that specialization has its unquestioned blessings. Specialization, when practiced by whole men, by those who reflect on the meaning of life, by those who have an acquaintance with the humanities, and in a society where creative energies are uninhibited, is the road to material wealth—which can, in turn, lead to intellectual and spiritual wealth. But while specialization is the means to wealth, let us not think of material wealth as an end in itself. Material wealth, like specialization, is only the means to higher ends—intellectual and spiritual wealth.

Wealth Can Free Man for Higher Aims

It seems to me that if material wealth has any moral purpose at all, it is to free man from the restrictions which are imposed by a subsistence level of living; for when one has to labor in the rice paddies from sunrise to sunset merely to eke out an animal existence, he doesn't stand much chance of evolving and developing those numerous potentialities peculiar to his own person. But wealth is not something to be pursued for wealth's sake or merely for luxuries, or quick retirement, or for shirking the problems of life. Material wealth, morally speaking, is but the means to free us from lower employments so that we may labor more industriously at higher employments, that we may develop more fully the life of the intellect and of the spirit. Material wealth is but a tool to help us develop our God-given faculties of intellect and spirit.

And now, a word of counsel. The market place is in high-pitched competition for your specialized services, and the emoluments being offered are relatively high. This may make the future look extraordinarily promising to you. And it can be promising if you don't become isolated in your own specializations. There are many brilliant but lost

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specialists in industry today, persons who cannot be promoted into higher positions because of a narrowness in their scope. They lack an interest in the problems of others on whom they depend, and an understanding of the society in which it is their lot to live.

Broadening One's Perspective

Broadening one's scope, continuing one's education into other than one's own specialty, is not a dismal but a glorious prospect. It can be the very zest of life. Certainly, it is a well-known fact that any specialist, be he writer, painter, cook, or engineer, is a better specialist if there be breadth in his understanding, if he be an integrated person, if he has balanced judgments as to right and wrong principles in man's relationships to man.

The deviltry going on in the world today is not primarily caused by criminals. The truly malevolent persons are too few in number to account for our wars and the continuing accumulation of vast armaments between major conflicts. The thoroughly evil persons among us are not numerous enough to account for all the racial and national hatreds and prejudices, for labor violence, for the growing belief that the honest fruits of one's labor no longer belong to the earner, for restrictions on the exchange of goods and services, and for the many other collectivistic inanities and horrors. These things are not the doings of criminals. They originate mostly with the well-intentioned, those who wish to do good to others but who, lacking personal means, thoughtlessly see no harm in employing the police establishments to impose their brand of good on the rest of us, to use the fruits of other persons' labor to satisfy their own charitable instincts.

God bless you in your chosen pursuits, but I implore you not to specialize to the exclusion of your role as good citizens. Don't leave us and yourselves to the mercy of political parasites, those who would try to act the part of God, those who would cast us all in their immature little images. If you would effectively look out for yourselves and thus for others, if you would have a society in which your specializations are to have meaning for you and for your fellow men, if you would realize the possibilities in your own individual creations, you will attend to the perfections of that society. And you will best do this by the perfection of yourselves, not only as skilled specialists but also as accomplished expositors of the looking-out-for-yourself philosophy.

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Flight from Integrity

SOME YEARS AGO the public relations officer of a large corporation summarized for me his guiding principle: "Find out what the people want and do more of it; find out what they don't want and do less of it."

While seldom so succinctly stated, such an external, "other directed" guide to behavior is finding ever wider acceptance in American life. Implicit in its acceptance is a flight from personal integrity; and here may be found an important explanation for some of the mischief presently besetting our society.

Doubtless, this is good enough as a formula for getting rich. However, if an individual looks upon wealth as a means to such higher ends as his own intellectual and spiritual emergence or realizing those creative potentialities inherent in his nature, then the formula has its shortcomings. And, in certain areas, it is downright destructive.

This is a serious charge. Let's explore it. In order to get this matter into perspective, contemplate the countless specialized subjects known to mankind. Take any one of them—landscape painting, for instance—and arrange the population of the U.S.A. in a pyramid according to proficiency or quality. There would be some one person at the very peak. Under him would be a few competent landscape painters; there would follow perhaps one million having a discriminating appreciation of such art; after which there would be the great mass—millions upon millions, unconscious, unaware, utterly ignorant of the art or the standards by which its perfection could be attained or judged.

Rearrange the population in pro-

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ficiency pyramids for all of the countless subjects which engage human interest and each of us would find himself near the base of most of the pyramids. Few are leaders or among the highly competent—except rarely and momentarily, if at all. Each of us has a potential for growth and development—especially if advantage is taken of the help available from those on higher levels.

With the above in mind, let us explore the implications of integrity to the situation we are contemplating. It involves the accurate reflection in word and deed of that which one's highest insight and conscience dictate as true and right. Now, a person's concept of what is true may not in fact be truth, but it is as close to truth as he can get. It is the individual's nearest approximation to truth, his most faithful projection of that approximation, the most accurate reflection of his best lights.

Adverse Selectivity

With the pyramid picture and this conception of integrity in mind, let us now observe what happens when the skilled in any subject—the competent who are near the peak—adopt the practice of finding out what the people want in order to "do more of it" and finding out what they do not want in order to "do less of it." In such circumstances, from whence comes the instruction for what each of the skilled is to do? From the best that is in each skilled person or available to him? From the highest conscience of each? Indeed not! The instruction and leadership in such circumstances is tailored to the level of the "know-nothings" of the given subject, to the values at the base of our imagined pyramid where over 90 per cent of the people are. Integrity is forsaken. Potential leadership is diverted from higher aspiration and, instead, panders to the tastes and foibles of the ignorant.

The fields of art and music, where new "lows" are now so much in evidence, illustrate the flight from integrity. Consider the following confession, ascribed to the famous painter, Picasso:

"In art, the mass of the people no longer seek consolation and exaltation, but those who are refined, rich, unoccupied, who are distillers of quintessences, seek what is new, strange, original, extravagant, scandalous. I myself, since cubism and even before, have satisfied these masters and critics, with all the changing oddities which passed through my head, and the less they understood me, the more they admired me. By amusing myself with all these games, with all these absurdities, with all these puzzles, rebuses, and arabesques, I became famous, and that very quickly. And fame for a painter means sales, gains, fortune, riches. And today, as you

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know, I am celebrated, I am rich. But when I am alone with myself, I have not the courage to think of myself as an artist in the great and ancient sense of the term. Giotto, Titian, Rembrandt, and Goya were great painters; I am only a *public entertainer* who has understood his times and has exhausted as best he could the imbecility, the vanity, the cupidity of his contemporaries. Mine is a bitter confession, more painful than it may appear, but it has the merit of being sincere."[1]

I have a TV program in mind. The star is an accomplished actress with an attractive voice. Does she sing the lovely songs of which she is capable?

Only now and then. For the most part, she and those in charge of her TV appearances insist on the stuff which nickels in juke boxes indicate as mass-popular. Instead of the millions at the lower part of the pyramid being lifted in their musical tastes by this singer at her creative best, we observe her descending and catering to the lowest or base tastes—an imitation of ignorance, so to speak. Thus is the music of our day degraded.

However unhappily we may view the wreckage which these responses to ignorance have brought to the fields of music, art, literature, entertainment, journalism, and the like, we must concede that the individual who cares anything about himself has the choice, in these fields, of turning off the TV and not reading or viewing the rubbish that is so overwhelmingly served up to him.

The Realm of Politics

But no such freedom of choice is allowed the individual when flight from integrity occurs in the realm of politics. The individual, irrespective of his scruples, his morals, his ideals, his tastes, is helplessly swept with millions of others into the miserable mess which the dull weight of ignorance gradually but inevitably inflicts on everyone.

A candidate for the Presidency, supposedly brighter and better educated than average, nevertheless polled the mass of voters to find what they wanted from government. As could have been foretold, they wanted the very things that crumbled the Roman Empire—"bread and circuses." The farmers wanted subsidies, not for outstanding performance, but for not farming. The labor unions wanted grants of coercive power that they might extort more pay for less work. Many businessmen wanted various protections against competition. Vast hordes wanted the guaranteed life: pensions, ease, retirement; in short, to be relieved of responsibility for self. These are the things our candidate professed to stand for and promised

[1]Broderick, Alan Houghton. *Mirage of Africa*. London: Hutchinson & Co., Ltd., 1953, p. 203.

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to deliver, if elected. Instead of standing consistently for the highest principles of political economy known to him, he imitated the lowest common denominator opinion of the population. His campaign manager confided that he had to do this to get elected; that once in office he would then do what he regarded as right. This opportunity never came; the candidate was defeated. And, defeat was his just due. One who runs a campaign without integrity proves openly that he would, at any time, forsake integrity if it appeared expedient for him to do so.

This explains why the two major political parties in the United States today stand for the same things. Both have chosen to receive their instructions from precisely the same source, the lowest common denominator of popular opinion. The result is a one-party system under two meaningless labels. This deplorable situation can never be remedied until there is a return to integrity, with candidates whose outer selves and actions will reflect their own best thoughts, regardless of the effect this may have on their political fortunes.

Edmund Burke, addressing those who had just elected him to Parliament, put the case for integrity in unequivocal and unmistakable terms:

"But his [the successful candidate's] unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice to you, to any man, or to any set of men living. These he does not derive from your pleasure—no, nor from the law and the Constitution. They are a trust from Providence, for the abuse of which he is deeply answerable. Your representative owes you, not his industry only, but his judgment; and he betrays, instead of serving you, if he sacrifices it to your opinion."

George Washington had the same practical and lofty sentiments in mind when he reportedly said to the Constitutional Convention:

"If, to please the people, we offer what we ourselves disapprove, how can we afterwards defend our work? Let us raise a standard to which the wise and honest can repair. The event is in the hand of God."

Socialism Leaves Little Choice

No individual, whoever he may be, can escape the immediate consequences of ignorance in politics, as he can in art, music, journalism. There is no way to avoid the pains which bad political action inflicts. For ignorant political action encompasses all—one's life and the sustenance of life which is the fruit of one's own labor; one's freedom to choose how one shall live his own life. Political collectivism—the pattern consonant with political ignorance—means what it says: Everyone swept indiscriminately into a

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vast human mass, the collective.[2] Why this wholesale divorce from personal conscience, this shameless acceptance of mass ignorance as our Director of Doing?

Doubtless, there are numerous reasons, some of which may be too obscure for ready discovery and examination. One possible explanation has to do with a false economic assumption. We, having paid so much heed to material progress and well-being, to ever higher standards of living, let our economic concepts pattern other aspects of our lives. Erring in our economic assumptions, we compound the error in our social, political, moral, and spiritual judgments.

Here is the error in economic diagnosis: We assume that "Find out what the people want and do more of it" has been the formula for our success, for our prolific production of goods and services. Thus, in the economic area, so we think, our guidance has come from the mass market rather than from conscience or higher realms of mind. The current cliché says, "The consumer is king."

[2]This dim view of political collectivism is not to be mistaken as a backhanded endorsement of the "philosopher king" idea of Plato and its modern counterpart: that society should be wholly governed by committees of the creative elite. There is no political process of knowing or selecting in advance the persons who will be most creative. The only process that will bring the creative minority to the top, that will encourage their effectiveness, is complete freedom.

The Spiritual Nature of Progress

Actually, instruction from the mass market has to do only with duplication. The market determines whether or not an economic good is to be duplicated and, if so, to what extent.

Duplication, sometimes called "mass production," admittedly controlled by the market, is not, however, the secret of productivity. The secret lies back of that. It has its genesis in the creation, the invention. Ralph Waldo Trine helps with this explanation:

"Everything is first worked out in the unseen before it is manifested in the seen, in the ideal before it is realized in the real, in the spiritual before it shows forth in the material. The realm of the unseen is the realm of cause. The realm of the seen is the realm of effect. The nature of effect is always determined and conditioned by the nature of its cause."[3]

The noted economist, Professor Ludwig von Mises, reputedly the greatest free market theorist of our time, adds his judgment to this view:

"Production is a spiritual, intellectual, and ideological phenomenon. It is the method that man, directed by reason, employs for the best possible removal of uneasiness. What distinguishes our conditions from those of our ancestors who lived one thousand or twenty thousand years

[3]From *In Tune with the Infinite*. Indianapolis: The Bobbs-Merrill Co., 1897.

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ago is not something material, but something spiritual. The material changes are the outcome of the spiritual changes."[4]

Where, for example, did Thomas Alva Edison get his ideas for the electric lamp? Not from the mass market! How could a people give specifications for something about which they were totally unaware?

In reality, the productive process works outward from that which is first presented uniquely to an individual mind as awareness or consciousness or insight (the reception of ideas—ideation) and is then accurately (with integrity) worked out or reflected in the material good or service. There is a distinctively spiritual accomplishment before the good or service is held up to view before the mass market.

Let Each Do His Best

American economic progress has been truly phenomenal. But this progress has been founded on inspiration from the highest insights of individuals, not on advice from the lower levels of ignorance. In this manner the masses progressively are freed from poverty and slavery, free men's material needs gratified as never before, and opportunities opened to everyone to pursue and develop those creative potentialities inherent in his own personality. If we would succeed with our political institutions, we have in the productive process a model to emulate. However, we must understand how this process really works: that it finds its power in highest conscience and the accurate reflection thereof, in short, in integrity.

One's highest conscience, regardless of the step it occupies on the Infinite Stairway of Righteousness and Wisdom, is sensitive to the way one treats it. Lie about it, distort it, reflect it inaccurately, take contrary instruction from inferior sources or yield to the temptation of fame or fortune or popularity or other weaknesses of the flesh *at its expense* and it will become flabby and flaccid and will be incapable of rising to higher levels.

Now and then we observe individuals who can be depended upon to state accurately that which they believe to be right, persons unmoved by fickle opinions, by the lure of applause, or by the sting of censure. We may disagree with such persons, but be it noted that we trust them. For their creed appears to be:

This above all, to thine own self be true;
And it must follow, as the night the day
Thou canst not then be false to any man.

Such persons are possessed of integrity!

[4]From *Human Action*. New Haven: Yale University Press, 1949, p. 141.

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Every Person Should Be Free

. . . to pursue his ambition to the full extent of his abilities, regardless of race or creed or family background.

. . . to associate with whom he pleases for any reason he pleases, even if someone else thinks it's a stupid reason.

. . . to worship God in his own way, even if it isn't "orthodox."

. . . to choose his own trade and to apply for any job he wants—and to quit his job if he doesn't like it or if he gets a better offer.

. . . to go into business for himself, be his own boss, and set his own hours of work—even if it's only three hours a week.

. . . to use his honestly acquired property or savings in his own way—spend it foolishly, invest it wisely, or even give it away.

. . . to offer his services or products for sale on his own terms, even if he loses money on the deal.

. . . to buy or not to buy any service or product offered for sale, even if the refusal displeases the seller.

. . . to disagree with any other person, even when the majority is on the side of the other person.

. . . to study and learn whatever strikes his fancy, as long as it seems to him worth the cost and effort of studying and learning it.

. . . to do as he pleases in general, as long as he doesn't infringe the equal right and opportunity of every other person to do as he pleases.

The above, in a nutshell, is the way of life which the libertarian philosophy commends. It means no special privilege from government for anyone. It is the way of individual liberty, of the free market, of private property, of government limited to securing these rights equally for all.

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On That Day Began Lies

From the day when the first members of councils placed exterior authority higher than interior, that is to say, recognized the decisions of men united in councils as more important and more sacred than reason and conscience; on that day began lies that caused the loss of millions of human beings and which continue their unhappy work to the present day.

LEO TOLSTOY[1]

THIS is a striking statement. Is it possible that there is something of a wholly destructive nature which has its source in councilmanic, or in group, or in committee-type action? Can this sort of thing generate lies that actually cause the loss of "millions of human beings"?

Any reasonable clue to the unhappy state of our affairs merits investigation. Two world wars that settled nothing except adding to the difficulties of avoiding even worse ones; men lacking in good character rising to positions of power over millions of other men; freedom to produce, to trade, to travel, disappearing from the earth; everywhere the fretful talk of security as insecurity daily becomes more evident; suggested solutions to problems made of the stuff that gave rise to the problems; the tragic spectacle, even here in America, of any one of many union leaders being able, at will, to control a strategic part of the complex exchange machinery on which the livelihood of all depends; these and other perplexities of import

First published in 1949.

[1] *The Law of Love and the Law of Violence* (Rudolph Field, N.Y.), p. 26.

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combine to raise a tumultuous "why," and to hasten the search for answers.

The Search for Answers

". . . on that day began lies. . . ." That is something to think about. Obviously, if everything said or written were lies, then truth or right principles would be unknown. Subtract all knowledge of right principles and there would not be even chaos among men. Quite likely there would be no men at all.

If half of everything said or written were lies. . . .

Human life is dependent not only on the knowledge of right principles but dependent, also, on actions in accordance with right principles. Admittedly there are wrong principles and right principles. However, the nearest that any person can get to right principles—truth—is that which his highest personal judgment dictates as right. Beyond that one cannot go or achieve. *Truth, then, as nearly as any individual can express it, is in strict accordance with this inner, personal dictate of rightness.*

The accurate representation of this inner, personal dictate is intellectual integrity. It is the expressing, living, acting of such truth as any given person is in possession of. Inaccurate representation of what one believes to be right is untruth. It is a lie.

Attaining knowledge of right principles is an infinite process. It is a development to be pursued but never completed. Intellectual integrity, the accurate reflection of highest personal judgment, on the other hand, is within the reach of all. Thus, the best we can do with ourselves is to represent ourselves at our best. To do otherwise is to tell a lie. To tell lies is to destroy such truth as is known. To deny truth is to destroy ourselves.

It would seem to follow, then, that if we could isolate any one or numerous origins of lies we might put the spotlight on the genesis of our troubled times. This is why it seems appropriate to accept Tolstoy's statement as a hypothesis and examine into the idea that lies begin with "decisions of men united in councils as more important and more sacred than reason and conscience." For, certainly, today, much of the decision that guides national and world policy springs from "men united in councils."

In what manner, then, do "the decisions of men united in councils" tend to initiate lies? Experience with these arrangements suggests that there are several ways.

The Spirit of the Mob

The first has to do with a strange and what in most instances must be an unconscious behavior of men in association. Consider the mob. It is

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a loose-type association. The mob will tar and feather, burn at the stake, string up by the neck, and otherwise murder. But dissect this association, pull it apart, investigate its individual components. Each person, very often, is a God-fearing, home-loving, wouldn't-kill-a-fly type of individual.

What happens, then? What makes persons in a mob behave as they do? What accounts for the distinction between these persons acting as responsible individuals and acting in association?

Perhaps it is this: These persons, when in mob association, and maybe at the instigation of a demented leader, remove the self-disciplines which guide them in individual action; thus the evil that is in each person is released, for there is some evil in all of us. In this situation, no one of the mobsters consciously assumes the *personal* guilt for what is thought to be a collective act but, instead, puts the onus of it on an abstraction which, without persons, is what the mob is.

There may be the appearance of unfairness in relating mob association to association in general. In all but one respect, yes. But in one respect there is a striking similarity.

Persons advocate proposals in association that they would in no circumstance practice in individual action. Honest men, by any of the common standards of honesty, will, in a board or a committee, sponsor, for instance, legal thievery—that is, they will urge the use of the political means to exact the fruits of the labor of others for the purpose of benefiting themselves, their group, or their community.

These leaders, for they have been elected or appointed to a board or a committee, do not think of themselves as having sponsored legal thievery. They think of the board, the committee, the council or the association as having taken the action.[2] The onus of the act, to their way of thinking, is put on an abstraction which is what a board or an association is without persons.

Imagine this: Joe Doakes passed away and floated up to the Pearly Gates. He pounded on the Gates and St. Peter appeared.

"Who are you, may I ask?"

"My name is Joe Doakes, sir."

"Where are you from?"

"I am from Updale, U.S.A."

"Why are you here?"

"I plead admittance, Mr. St. Peter."

St. Peter scanned his scroll and

[2]It is acknowledged that most of us acting in association do not consciously regard any of our acts as bad. Yet, the fact remains that we persist in doing things in this circumstance that we would not do on our own responsibility. Actually, involved is a double standard of morality. Morality is exclusively a personal quality. Any action not good enough to be regarded as attached to one's person is, ipso facto, bad.

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said, "Yes, Joe, you are on my list. Sorry I can't let you in. You stole money from others, including widows and orphans."

"Mr. St. Peter, I had the reputation of being an honest man. What do you mean, I stole money from widows and orphans?"

"Joe, you were a member, a financial supporter and once on the Board of Directors of The Updale Do-Good Association. It advocated a municipal golf course in Updale which took money from widows and orphans in order to benefit you and a hundred other golfers."

"Mr. St. Peter, that was The Updale Do-Good Association that took that action, not your humble applicant, Joe Doakes."

St. Peter scanned his scroll again, slowly raised his head, and said somewhat sadly, "Joe, The Updale Do-Good Association is not on my list, nor any foundation, nor any chamber of commerce, nor any trade association, nor any labor union, nor any P.T.A. All I have listed here are persons, *just persons.*"

The Spirit of the Committee

It ought to be obvious that we as individuals stand responsible for our actions regardless of any wishes to the contrary, or irrespective of the devices we try to arrange to avoid personal responsibility. Actions of the group character heretofore referred to are lies for in no sense are they accurate responses to the highest judgments of the individuals concerned.

The second way that lies are initiated by "the decisions of men united in councils" inheres in commonly accepted committee practices. For example: A committee of three has been assigned the task of preparing a report on what should be done about rent control. The first member is devoted to the welfare-state idea and believes that rents should forever be controlled by governmental fiat. The second member is a devotee of the voluntary society, free market economy and a government of strictly limited powers and, therefore, believes that rent control should be abolished forthwith. The third member believes rent controls to be bad but thinks that the decontrol should be effected gradually, over a period of years.

This not uncommon situation is composed of men honestly holding three irreconcilable beliefs. Yet, a report is expected and under the customary committee theory and practice is usually forthcoming. What to do? Why not hit upon something that is not too disagreeable to any one of the three? For instance, why not bring in a report recommending that landlords be permitted by government to increase rents in an amount not to exceed 15%? Agreed!

In this hypothetical but common instance the recommendation is a

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fabrication, pure and simple. Truth, as understood by any one of the three, has no spokesman. By any reasonable definition a lie has been told.

The Lowest Common Denominator

Another example. Three men having no preconceived ideas are appointed to bring in a report. What will they agree to? Only that which they are willing to say in concert which, logically, can be only the lowest common-denominator opinion of the majority! The lowest common-denominator opinion of two persons cannot be an accurate reflection of the highest judgment of each of the two. The lowest common-denominator opinion of a set of men is at variance with truth as here defined. Again, it is a fabrication. Truth has no spokesman. A lie has been told.

These examples (numberless variations could be cited) suggest only the nature of the lie in embryo. It is interesting to see what becomes of it.

Not all bodies called committees are true committees, a phase of the discussion that will be dealt with later. However, the true committee, the arrangement which calls for resolution in accordance with what a majority of the members are willing to say in concert, is but the instigator of fabrications yet more pronounced. The committee, for the most part, presupposes another larger body to which its recommendations are made.

These larger bodies have a vast, almost an all-inclusive, range in present-day American life. The neighborhood development associations; the small town and big city chambers of commerce; the regional and national trade associations; the P.T.A.'s; labor unions organized vertically to encompass crafts and horizontally to embrace industries; farmers' granges and co-ops; medical and other kinds of professional societies; ward, precinct, county, state and national organizations of political parties; governmental councils from the local police department board to the Congress of the United States; the United Nations; thousands and tens of thousands of them, every citizen embraced by several of them and millions of citizens embraced by scores of them; most of them "resoluting" as groups, deciding as "men united in councils."

These associational arrangements divide quite naturally into two broad classes, (1) those that are of the voluntary type, the kind to which we pay dues if we want to, and (2) those that are a part of government, the kind to which we pay taxes whether we want to or not.

For the purposes of this critique, emphasis will be placed on the voluntary type. In many respects criticisms applying to the former are valid when applied to the latter;

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nonetheless, there are distinctions between the way one should relate oneself to a voluntary association and the way one, for the sake of self-protection, is almost compelled to relate himself to a coercive agency.[3]

Now, it is not true, nor is it here pretended, that every associational resolution originates in distortions of personal conceptions of what is right. But any one of the millions of citizens who participates in these associations has, by experience, learned how extensive these fabrications are. As a matter of fact, there has developed a rather large acceptance of the notion that wisdom can be derived from the averaging of opinions, providing there are enough of them. The quantitative theory of wisdom, so to speak!

A Lie Compounded

If one will concede that the aforementioned committee characteristics and council behaviors are perversions of truth, it becomes interesting to observe the manner of their extension—to observe how the lie is compounded.

Analyzed, it is something like this: An association takes a stand on a certain issue and claims or implies it speaks for its 1,000,000 members. It is possible, of course, that each of the 1,000,000 members agrees with the stand taken by the organization. But, in all probability, this is an untruthful statement, for the following possible reasons:

(1) If every member were actually polled on the issue, and the majority vote was accepted as the organization's position, there is no certainty that more than 500,001 persons agreed with the position stated as that of the 1,000,000.

(2) If not all members were polled, or not all were at the meeting where the voting took place, there is only the certainty that a majority of those voting favored the position of the organization—still claimed to be the belief of 1,000,000 persons. If the quorum should be 100, there is no certainty that more than 51 persons agreed with that position.

(3) It is still more likely that the opinion of the members was not tested at all. The officers, or some committee, or some one person may have determined the stand of the organization. Then there is no certainty that more than one person (or a majority of the committee) favored that position.

[3]The common political idea that a member of Congress, for instance, must "compromise," that is, must on some issues vote contrary to his convictions in order to effect a greater good on some subsequent issue, or to keep himself in office that he may insure the public good, leaves shattered and destroyed any moral basis of action. If each member of Congress were to act in strict accordance with his inner dictate of what is right, the final outcome of Congressional action would, of course, be a composite of differing convictions. But the alternative of this is a composite of inaccurate reflections of rightness.

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(4) And, finally, if that person should be dishonest—that is, untrue to that which he personally believed to be right, either by reason of ulterior motives, or by reason of anticipating what the others will like or approve—then, it is pretty certain that the resolution did not even originate in honest opinion.

An example will assist in making the point. The economist of a national association and a friend were breakfasting one morning, just after V-J Day. Wage and price controls were still in effect. The conversation went something as follows:

"I have just written a report on wage and price controls which I think you will like."

"Why do you say you *think* I will like it? Why don't you say you *know* I will like it?"

"Well, I—er—hedged a little on rent controls."

"You don't believe in rent controls. Why did you hedge?"

"Because the report is as strong as I think our Board of Directors will adopt."

"As the economist, isn't it your business to state that which you believe to be right? If the Board Members want to take a wrong action, let them do so and bear the responsibility for it."

Paying for Misrepresentation

Actually, what happened? The Board did adopt that report. It was represented to the Congress as the considered opinion of the constituency of that association. Many of the members believed in the immediate abolishment of rent control. Yet, they were reported as believing otherwise—and paying dues to be thus misrepresented. By supporting this procedure with their membership and their money they were as responsible as though they had gone before the Congress and told the lie themselves.

To remove the twofold dishonesty from such a situation, the spokesman of that association would have to say something like this:

"This report was adopted by our Board of Directors, 35 of the 100 being present. The vote was 18 to 12 in favor of the report, 5 not voting. The report itself was prepared by our economist, *but it is not an accurate reflection of his views.*"[4]

Such honesty or exactness is more the exception than the rule as everyone who has had experience in associational work can attest. What really happens is a misrepresentation of concurrence, a program of lying about how many of who stands for what. Truth, such as is known, is seldom spoken. It is warped into a misleading distortion. It is obliter-

[4]It is evident that any such report as this is worthless. Yet, a more pretentious report would be a lie, a thing of positive harm. If a procedure can result only in worthlessness or harm, the procedure itself should be in question.

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ated by this process of the majority speaking for the minority, more often by the minority speaking for the majority, sometimes by one dishonest opportunist speaking for thousands. Truth, such as is known—the best judgments of individuals—for the most part, goes unrepresented, unspoken.

This, then, is the stuff out of which much of local, national and world policy is being woven. Is it any wonder that many citizens are confused?

Three questions are in order, and deserve suggested answers:

(1) What is the reason for having all these troubles with truth?

(2) What should we do about these associational difficulties?

(3) Is there a proper place for associational activity as relating to important issues?

> "And now remains
> That we find out the cause of this effect;
> Or, rather say, the cause of this defect,
> For this effect, defective, comes by cause."

Pointing out causes is a hazardous venture for, as one ancient sage put it, "Even from the beginnings of the world descends a chain of causes." Thus, for the purpose of this critique, it would be folly to attempt more than casual reference to some of our own recent experiences.

First, there doesn't appear to be any widespread, lively recognition of the fact that conscience, reason, knowledge, integrity, fidelity, understanding, judgment and other virtues are the distinctive and exclusive properties of individual persons.

Somehow, there follows from this lack of recognition the notion that wisdom can be derived by pooling the conclusions of a sufficient number of persons, even though no one of them has applied his faculties to the problems in question. With this as a notion the imagination begins to ascribe personal characteristics to a collective—the committee, the group, the association—as though the collective could think, judge, know, or assume responsibility. With this as a notion, there is the inclination to substitute the "decisions of men united in councils" for reason and conscience. With this as a notion, the responsibility for personal thought is relieved and, thus relieved, fails to materialize to its fullest.

A Blind Faith

Second, there is an almost blind faith in the efficacy and rightness of majority decision as though the mere preponderance of opinion were the device for determining what is right. This thinking is consistent with and a part of the "might makes right" doctrine. This thinking, no doubt, is an outgrowth of the American political pattern, lacking, it seems, an observance of the essential distinc-

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tions between voluntary and coercive agencies. It is necessary that these distinctions be understood unless the whole associational error is to continue. The following is, at least, a suggested explanation:

Government—organized police force—which according to best American theory should have a monopoly of coercive power, must contain a final authority. Such authority was not planned to be in the person of a monarch, in an oligarchy or even in a set of elected representatives. The ultimate, final authority was designed to derive from and to reside with the people. Erected as safeguards against the despotism that such a democratic arrangement is almost certain to inflict on its members were (1) the Constitution and (2) the legislative, executive and judicial functions so divided and diffused that each might serve as a check on the others.

When the concession is made that government is necessary to assure justice and maximum freedom, and when the decision is made that the ultimate authority of that government shall rest with the people, it follows that majority vote is not a matter of choice *but a necessity* whenever this ultimate authority expresses itself. No alternative exists with this situation as a premise. To change from majority vote as a manner of expression would involve changing the premise, changing to a situation in which the ultimate authority rests in one person.

A Restraint Against the Abuse of the Police Power

For reasons stated and implied throughout this critique the majority-decision system is considered to be most inexpert. However, it proves to be a virtue rather than a fault as applied to the exceedingly dangerous coercive power, *providing the coercive power is limited to its sphere of policing*. This inexpertness in such a circumstance tends to keep the coercive power from becoming too aggressive.

Conceding the limitation of the coercive power, which was implicit in the American design, the really important matters of life, all of the creative aspects, are outside this coercive sphere and are left to the attentions of men in voluntary effort and free association.

The idea of citizens left free to their home life, their business life, their religious life, with the coercive power limited to protecting citizens in these pursuits presents, roughly, the duality of the American pattern. On the one hand is the really important part of life, the creative part. On the other hand is the minor part, the part having to do with constraint. Constraining and creating call for distinctly different arrangements. Constraint can stop the trains but it

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is not the force we use to build a railroad.

Out of this pattern has developed a high appreciation for our form of government, particularly as we have compared it with the coercive agencies of the Old World. Here is the point: The majority-decision system, an effect rather than a cause of our form of government, has been erroneously credited as responsible for the superiority of our form of government. It has been thought of as its distinctive characteristic. Therefore, the majority-decision system is regarded as the essence of rightness. Without raising questions as to the distinctions between creating and constraining we have taken a coercive-agency device and attempted its application in free association. Something is not quite right. Perhaps this is one of the causes.

Loss of Reason

Third, we have in this country carried the division-of-labor practice to such a high point and with such good effect in standard-of-living benefits that we seem to have forgotten that the practice has any limitations. Many of us, in respect to our voluntary associational activities, have tried to delegate moral and personal responsibilities to mere abstractions, which is what associations are, without persons. In view of (1) this being an impossibility, (2) our persistent attempts to do it, nonetheless, and (3) the consequent loss of reason and conscience when personal responsibility is not personally assumed, we have succeeded in manufacturing little more than massive quantities of collective declarations and resolutions. These, lacking in both wit and reason, have the power to inflict damage but are generally useless in conferring understanding. So much for causes.

"What should we do about these associational difficulties?" This writer, to be consistent with his own convictions, finds it necessary to drop into first person, singular, to answer this question.

In brief, I do not know what our attitude should be, but only what mine is. *It is to have no part in any association whatever which takes actions implicating me for which I am not ready and willing to accept personal responsibility.*

Put it this way: If I am opposed, for instance, to spoliation—legal plunder—I am not going to risk being reported in its favor. This is a matter having to do with morals, and moral responsibility is strictly a personal affair. In this, and like areas, I prefer to speak for myself. I do not wish to carry the division-of-labor idea, the delegation of authority, to this untenable extreme.

This determination of mine refers only to voluntary associations and does not include reference to membership in or support of a political

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party. The latter has to do with my relationship to coercive agencies and these, as I have suggested, are birds of another feather.

One friend who shares these general criticisms objects to the course I have determined on. He objects on the ground that he must remain in associations which persist in misrepresenting him in order to effect his own influence in bettering them. If one accepts this view, how can one keep from "holing up" with any evil to be found, anywhere? If lending one's support to an agency which lies about one's convictions is as evil as lying oneself, and if to stop such evil in others one has to indulge in evil, it seems evident that evil will soon become unanimous. The alternative? Stop doing evil. This at least has the virtue of lessening the evildoers by one.

The question, "Is there a proper place for associational activity as relating to important issues?" is certainly appropriate if the aforementioned criticisms be considered valid.

First, the bulk of activities conducted by many associations is as businesslike, as economical, as appropriate to the division-of-labor process, as is the organization of specialists to bake bread or to make automobiles. It is not this vast number of useful service activities that is in question.

The phase of activities here in dispute has to do with a technic, a method by which reason and conscience—such truths as are possessed—are not only robbed of incentive for improvement but are actually turned into fabrications, and then represented as the convictions of persons who hold no such convictions.

It was noted above that not all bodies called committees are true committees—a true committee being an arrangement by which a number of persons bring forth a report consistent with what the majority is willing to state in concert. The true committee is part and parcel of the majority-decision system.

Intellectual Leveling-Up

The alternative arrangement, on occasion referred to as a committee, may include the same set of men. The distinction is that the responsibility and the authority for a study is vested not in the collective, the group, but in one person, preferably the one most skilled in the subject at issue. The others serve as consultants. The one person exercises his own judgment as to the suggestions to be incorporated or omitted. The report is his and is presented as his, with such acknowledgments of assistance and concurrence as the facts warrant. In short, the responsibility for the study and the authority to conduct it are reposed where responsibility and authority are capable of being exercised—in a person. This

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arrangement takes full advantage of the skills and specialisms of all parties concerned. The tendency here is toward an intellectual leveling-up, whereas with the true committee the lowest common-denominator opinion results.

On occasion, associations are formed for a particular purpose and supported by those who are like-minded as to that purpose. As long as the associational activities are limited to the stated purpose and as long as the members remain like-minded, the danger of misrepresentation is removed.

It is the multi-purposed association, the one that potentially may take a "position" on a variety of subjects, particularly subjects relating to the rights or the property of others—moral questions—where misrepresentation is not only possible but almost certain.

The remedy here, if a remedy can be put into effect, is for the association to quit taking "positions" except on such rare occasions as unanimous concurrence is manifest, or except as the exact and precise degree and extent of concurrence is represented.

The alternative step to most associational "positions" is for the members to employ the division-of-labor theory by pooling their resources to supply services to the members—as individuals. Provide headquarters and meeting rooms where they may assemble in free association, exchange ideas, take advantage of the availability and knowledge of others, know of each other's experiences. In addition to this, statisticians, research experts, libraries and a general secretariat and other aids to effective work can be provided. Then, let the individuals speak or write or act as individual persons! Indeed, this is the real, high purpose of voluntary associations.

The practical as well as the ethical advantages of this suggested procedure may not at first be apparent to everyone. Imagine, if you can, Patrick Henry as having said: "I move that this convention go on record as insisting that we prefer death to slavery."

Now, suppose that the convention had adopted that motion. What would have been its force? Certainly almost nothing as compared with Patrick Henry's ringing words: "I know not what course others may take; but as for me, give me liberty or give me death!"

No one in this instance concerned himself with what Patrick Henry was trying to do to him or to someone else. One thought only of what Patrick Henry had decided for himself and weighed, more favorably, the merits of emulation. No convention, no association, no "decisions of men united in councils" could have said such a thing in the first place, and second, anything the members might

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have said in concert could not have equalled this. Third, had the convention been represented in any such sentiments it is likely that misrepresentation would have been involved.

One needs to reflect but a moment on the words of wisdom which have come down to us throughout all history, the words and works that have had the power to live, the words and works around which we have molded much of our lives, and one will recognize that they are the words and works of persons, not collective resolutions, not what men have uttered in concert, not the "decisions of men united in councils."

A Waste of Time

In short, if effectiveness for what's right is the object then the decision-of-men-united-in-council procedure could well be abandoned, if for nothing else, on the basis of its impracticality. It is a waste of time in the creative areas, that is, for the advancement of truth. It is a useful and appropriate device only as it relates to the coercive, that is to the restrictive, suppressive, destructive functions.

The reasons for the impracticality of this device in the creative areas seem clear. Each of us when seeking perfection, whether of the spirit, of the intellect, or of the body, looks not to our inferiors but to our betters, not to those who self-appoint themselves as our betters, but to those who, in our own humble judgment, are our betters. Experience has shown that such perfection as there is exists in individuals, not in the lowest common-denominator expressions of a collection of individuals. Perfection emerges with the clear expression of personal faiths—the truth as it is known, not with the confusing announcement of verbal amalgams—lies.

". . . on that day began lies that caused the loss of millions of human beings and which continue their unhappy work to the present day." The evidence, if fully assembled and correctly presented, would, no doubt, convincingly affirm this observation.

How to stop lies? It is simply a matter of personal determination and a resolve to act and speak in strict accordance with one's inner, personal dictate of what is right. And for each of us to see to it that no other man or set of men is given permission to represent us otherwise.

If such truth as we are in possession of were in no manner inhibited, then life on this earth would be at its highest possible best, short of further enlightenment.

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The Magic of Believing

A FEELING OF HOPELESSNESS is the straw that could break the back of the freedom movement—for freedom will never be achieved without faith. In any event, this feeling of futility more seriously threatens the continuance of the work of the Foundation for Economic Education than does any other discernible influence. People do not continue to work at a problem after its solution appears hopeless to them.

Too many opponents of socialism—once convinced that there is no simple remedy at hand, and aware that the problem at issue is nothing less than altering the *mores* of a vast society—tend to give up the ghost. Unnerved by the dimensions of the job, they say, "Oh, what's the use!"

Experience leads one to believe that the forces which have to do with shaping human destiny are of no help to those of little faith. Indeed, they appear to have no truck with people who lack confidence in what determined effort can accomplish.

On the other hand, these forces—call them by your own name—tend to cooperate with those who believe they can accomplish the seemingly impossible and never call it quits until the game is over. There are men, be it observed, who do, in fact, move mountains. *But they are not the men who doubt that mountains can be moved.*

Take note, for instance, of golfers on putting greens. There are those who doubt they can sink any but the simplest putts. And there are those who have confidence that they can sink every putt—they actually believe this! The former are miserable performers. Among the latter are to be found the skilled and all the miracle putters.

Miracles are all about us—a common loaf of bread is packed with wonders. Those who have no sense of the miraculous, who have no faith in achieving anything beyond what the unaided individual can accomplish, will be of little help in ridding our society of socialism. The problem seems too hopelessly impossible to them and they quit. But the undaunted, those who know the magic of believing, will make progress, for the forces which are available to those who believe will lend a hand to multiply their efforts. Too bad there aren't more such efforts for them to multiply!

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I, Pencil

I AM A LEAD PENCIL—the ordinary wooden pencil familiar to all boys and girls and adults who can read and write.*

Writing is both my vocation and my avocation; that's all I do.

You may wonder why I should write a genealogy. Well, to begin with, my story is interesting. And, next, I am a mystery—more so than a tree or a sunset or even a flash of lightning. But, sadly, I am taken for granted by those who use me, as if I were a mere incident and without background. This supercilious attitude relegates me to the level of the commonplace. This is a species of the grievous error in which mankind cannot too long persist without peril. For, the wise G. K. Chesterton observed, "We are perishing for want of wonder, not for want of wonders."

I, Pencil, simple though I appear to be, merit your wonder and awe, a claim I shall attempt to prove. In fact, if you can understand me—no, that's too much to ask of anyone—if you can become aware of the miraculousness which I symbolize, you can help save the freedom mankind is so unhappily losing. I have a profound lesson to teach. And I can teach this lesson better than can an automobile or an airplane or a mechanical dishwasher because—well, because I am seemingly so simple.

Simple? Yet, *not a single person on the face of this earth knows how to make me.* This sounds fantastic, doesn't it? Especially when it is re-

From *The Freeman*, December 1958.

*My official name is "Mongol 482." My many ingredients are assembled, fabricated, and finished by Eberhard Faber Pencil Company, Wilkes-Barre, Pennsylvania.

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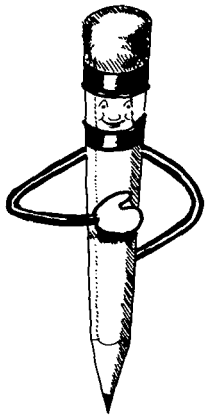

alized that there are about one and one-half billion of my kind produced in the U.S.A. each year.

Pick me up and look me over. What do you see? Not much meets the eye—there's some wood, lacquer, the printed labeling, graphite lead, a bit of metal, and an eraser.

Innumerable Antecedents

Just as you cannot trace your family tree back very far, so is it impossible for me to name and explain all my antecedents. But I would like to suggest enough of them to impress upon you the richness and complexity of my background.

My family tree begins with what in fact is a tree, a cedar of straight grain that grows in Northern California and Oregon. Now contemplate all the saws and trucks and rope and the countless other gear used in harvesting and carting the cedar logs to the railroad siding. Think of all the persons and the numberless skills that went into their fabrication: the mining of ore, the making of steel and its refinement into saws, axes, motors; the growing of hemp and bringing it through all the stages to heavy and strong rope; the logging camps with their beds and mess halls, the cookery and the raising of all the foods. Why, untold thousands of persons had a hand in every cup of coffee the loggers drink!

The logs are shipped to a mill in San Leandro, California. Can you imagine the individuals who make flat cars and rails and railroad engines and who construct and install the communication systems incidental thereto? These legions are among my antecedents.

Consider the millwork in San Leandro. The cedar logs are cut into small, pencil-length slats less than one-fourth of an inch in thickness. These are kiln dried and then tinted for the same reason women put rouge on their faces. People prefer that I look pretty, not a pallid white. The slats are waxed and kiln dried again. How many skills went into the making of the tint and the kilns, into supplying the heat, the light and power, the belts, motors, and all the other things a mill requires? Sweepers in the mill among my ancestors? Yes, and included are the men who poured the concrete for the dam of a Pacific Gas & Electric Company hy-

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droplant which supplies the mill's power!

Don't overlook the ancestors present and distant who have a hand in transporting sixty carloads of slats across the nation from California to Wilkes-Barre!

Complicated Machinery

Once in the pencil factory—$4,000,000 in machinery and building, all capital accumulated by thrifty and saving parents of mine—each slat is given eight grooves by a complex machine, after which another machine lays leads in every other slat, applies glue, and places another slat atop—a lead sandwich, so to speak. Seven brothers and I are mechanically carved from this "wood-clinched" sandwich.

My "lead" itself—it contains no lead at all—is complex. The graphite is mined in Ceylon. Consider these miners and those who make their many tools and the makers of the paper sacks in which the graphite is shipped and those who make the string that ties the sacks and those who put them aboard ships and those who make the ships. Even the lighthouse keepers along the way assisted in my birth—and the harbor pilots.

The graphite is mixed with clay from Mississippi in which ammonium hydroxide is used in the refining process. Then wetting agents are added such as sulfonated tallow—animal fats chemically reacted with sulfuric acid. After passing through numerous machines, the mixture finally appears as endless extrusions—as from a sausage grinder—cut to size, dried, and baked for several hours at 1,850 degrees Fahrenheit. To increase their strength and smoothness the leads are then treated with a hot mixture which includes candelilla wax from Mexico, paraffin wax, and hydrogenated natural fats.

My cedar receives six coats of lacquer. Do you know all of the ingredients of lacquer? Who would think that the growers of castor beans and the refiners of castor oil are a part of it? They are. Why, even the processes by which the lacquer is made a beautiful yellow involves the skills of more persons than one can enumerate!

Observe the labeling. That's a film formed by applying heat to carbon black mixed with resins. How do you make resins and what, pray, is carbon black?

My bit of metal—the ferrule—is brass. Think of all the persons who mine zinc and copper and those who have the skills to make shiny sheet brass from these products of nature. Those black rings on my ferrule are black nickel. What is black nickel and how is it applied? The complete story of why the center of my ferrule has no black nickel on it would take pages to explain.

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Then there's my crowning glory, inelegantly referred to in the trade as "the plug," the part man uses to erase the errors he makes with me. An ingredient called "factice" is what does the erasing. It is a rubber-like product made by reacting rape seed oil from the Dutch East Indies with sulfur chloride. Rubber, contrary to the common notion, is only for binding purposes. Then, too, there are numerous vulcanizing and accelerating agents. The pumice comes from Italy; and the pigment which gives "the plug" its color is cadmium sulfide.

No One Knows

Does anyone wish to challenge my earlier assertion that no single person on the face of this earth knows how to make me?

Actually, millions of human beings have had a hand in my creation, no one of whom even knows more than a very few of the others. Now, you may say that I go too far in relating the picker of a coffee berry in far off Brazil and food growers elsewhere to my creation; that this is an extreme position. I shall stand by my claim. There isn't a single person in all these millions, including the president of the pencil company, who contributes more than a tiny, infinitesimal bit of know-how. From the standpoint of know-how the only difference between the miner of graphite in Ceylon and the logger in Oregon is in the *type* of know-how. Neither the miner nor the logger can be dispensed with, any more than can the chemist at the factory or the worker in the oil field—paraffin being a by-product of petroleum.

Here is an astounding fact: Neither the worker in the oil field nor the chemist nor the digger of graphite or clay nor any who mans or makes the ships or trains or trucks nor the one who runs the machine that does the knurling on my bit of metal nor the president of the company performs his singular task because he wants me. Each one wants me less, perhaps, than does a child in the first grade. Indeed, there are some among this vast multitude who never saw a pencil nor would they know how to use one. Their motivation is other than me. Perhaps it is something like this: Each of these millions sees that he can thus exchange his tiny know-how for the goods and services he needs or wants. I may or may not be among these items.

No Master Mind

There is a fact still more astounding: The absence of a master mind, of anyone dictating or forcibly directing these countless actions which bring me into being. No trace of such a person can be found. Instead, we find the Invisible Hand at work. This is the mystery to which I earlier referred.

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It has been said that "only God can make a tree." Why do we agree with this? Isn't it because we realize that we ourselves could not make one? Indeed, can we even describe a tree? We cannot, except in superficial terms. We can say, for instance, that a certain molecular configuration manifests itself as a tree. But what mind is there among men that could even record, let alone direct, the constant changes in molecules that transpire in the life span of a tree? Such a feat is utterly unthinkable!

I, Pencil, am a complex combination of miracles: a tree, zinc, copper, graphite, and so on. But to these miracles which manifest themselves in Nature an even more extraordinary miracle has been added: the configuration of creative human energies—millions of tiny know-hows configurating naturally and spontaneously in response to human necessity and desire and *in the absence of any human master-minding!* Since only God can make a tree, I insist that only God could make me. Man can no more direct these millions of know-hows to bring me into being than he can put molecules together to create a tree.

The above is what I meant when writing, "If you can become aware of the miraculousness which I symbolize, you can help save the freedom mankind is so unhappily losing." For, if one is aware that these know-hows will naturally, yes, automatically, arrange themselves into creative and productive patterns in response to human necessity and demand—that is, in the absence of governmental or any other coercive master-minding—then one will possess an absolutely essential ingredient for freedom: *a faith in free men.* Freedom is impossible without this faith.

Once government has had a monopoly of a creative activity such, for instance, as the delivery of the mails, most individuals will believe that the mails could not be efficiently delivered by men acting freely. And here is the reason: Each one acknowledges that he himself doesn't know how to do all the things incident to mail delivery. He also recognizes that no other individual could do it. These assumptions are correct. No individual possesses enough know-how to perform a nation's mail delivery any more than any individual possesses enough know-how to make a pencil. Now, in the absence of faith in free men—in the unawareness that millions of tiny know-hows would naturally and miraculously form and cooperate to satisfy this necessity—the individual cannot help but reach the erroneous conclusion that mail can be delivered only by governmental "master-minding."

Testimony Galore

If I, Pencil, were the only item that could offer testimony on what men

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can accomplish when free to try, then those with little faith would have a fair case. However, there is testimony galore; it's all about us and on every hand. Mail delivery is exceedingly simple when compared, for instance, to the making of an automobile or a calculating machine or a grain combine or a milling machine or to tens of thousands of other things. Delivery? Why, in this area where men have been left free to try, they deliver the human voice around the world in less than one second; they deliver an event visually and in motion to any person's home when it is happening; they deliver 150 passengers from Seattle to Baltimore in less than four hours; they deliver gas from Texas to one's range or furnace in New York at unbelievably low rates and without subsidy; they deliver each four pounds of oil from the Persian Gulf to our Eastern Seaboard—halfway around the world—for less money than the government charges for delivering a one-ounce letter across the street!

The lesson I have to teach is this: *Leave all creative energies uninhibited.* Merely organize society to act in harmony with this lesson. Let society's legal apparatus remove all obstacles the best it can. Permit these creative know-hows freely to flow. Have faith that free men will respond to the Invisible Hand. This faith will be confirmed. I, Pencil, seemingly simple though I am, offer the miracle of my creation as testimony that this is a practical faith, as practical as the sun, the rain, a cedar tree, the good earth.

IDEAS ON LIBERTY

The Invisible Hand

By directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain. . . . He is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. . . . By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it.

ADAM SMITH, *The Wealth of Nations*

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On Improving the World

A FRIEND OF OURS—call him John—born at the turn of the century, was associated with big affairs as far back as college days. A natural leader, he became president of one of the country's most successful corporations during the early thirties.

Devoted to private enterprise, he saw sooner than most men the fallacies in NIRA and a host of other political interventions. And he actively participated in program after program to alter the country's lunge into political, social, and financial disaster. He contributed generously to plans designed to educate "the masses who had the votes." Yet, nothing seemed to come of all this.

John served as a director of—and helped finance—all sorts of business organizations which passed resolutions strongly condemning interventionist policy. But no one, least of all those in political power, appeared to be moved by these criticisms.

Time passed. Interventionism continued to grow. The national debt, coupled with the accrued liability of the federal government on various unfunded promises, slipped almost unnoticed beyond the trillion dollar mark. The dollar, as a result, progressively lost value in terms of what it would purchase. Labor union power kept growing into an awesome form of dictatorial government. To add insult to injury, the ranks of the staunch opposition steadily thinned.

Meanwhile, plans aimed at setting things straight were offered in endless profusion. For instance,

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While self-improvement—learning the freedom philosophy and how to explain it—is generally conceded to be the sound approach, it is often rejected as being too slow. "We have to act now; time is of the essence." Caution! Premature action is pointless at best, and to hurry with anything but the sound approach may be damaging. If I am working as intelligently, diligently, and rapidly on my own improvement as is within my power, the balance of the problem is in the hand of God. He did not commission me to manage the world, or the United States of America, or my neighbor. Further, I am unaware that any person has been so endowed or empowered.

• * •

Man tends to follow the lines of least resistance to satisfy his desires. He will stoop for the property of others if the government encourages him, and will stoop for power over the lives of others if the government grants him that special privilege. Remove these appeals to man's avarice and, having nothing to stoop for, he will stand upright.

projects were set in motion, with John's support, to educate the youth of the land after a poll of high school students showed that they knew no more about private enterprise and capitalism than could reasonably have been expected of Russian students. But such corrective efforts had no discernible effect.

Recently, came this unusually appealing proposal: Put the "right people" in public office; and, to accomplish this, organize "right down to the precinct level." John's company paid a lot of lip service to this one, going so far as to encourage their young executives to "get into politics." Yet, nothing seemed to come of it. The "right people," as it turned out, had a few of the correct economic and political predilections, but little else in the way of qualifications. With several notable exceptions, they were not firmly anchored in private enterprise principles and thus were little better than the politicians they hoped to replace.

Next to managing the corporation, the problem uppermost in John's mind all of his adult life had been how best to achieve private enterprise in its ideal form. He had given thousands of hours of thought and many hundreds of thousands of dollars to what he affectionately termed "the cause." Lately, however, he has virtually conceded defeat—given up the ghost. In spite of

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his efforts over the years, the opposite point of view grew stronger day by day. He had explored every avenue known to him, with no more to show for his pains than socialism—under its various labels—still on the march.

But the other day, in a reflective mood, John realized for the first time that every effort of his, all of his energies, all of these schemes, had been aimed at the utterly fruitless task of reforming others—a method that only put in motion the latent errors so widely entertained. It was like fanning dust—the more you fan, the more you fill the air with it. No wonder "the cause" was losing its enthusiasts. *The method was woefully at fault.*

Right method? As simple as a-b-c, just as anything is simple, once it is known. It is one thing to organize an army or police force to inhibit others or compel conformity to dictatorial decrees. But the practice of freedom cannot depend on coercion. When it comes to influencing another to think and act creatively, to help advance another's understanding, one is limited to the power of attraction. Let anyone acquire mastery of any subject, and others will hunger for his counsel. This is a common fact, in evidence on every hand.

Once he had grasped the profound importance of right method, John gave up every thought of reforming or making over others. Though vastly ahead of most people—even business leaders—in his understanding of private enterprise and his ability to explain its principles, he realized how incompetent he was, not by comparison with others but compared to his own potentialities. He turned his sights inward toward his own fulfillment instead of focusing his efforts upon others. It was as if he had escaped from a dungeon on a tiny ray of light into an openness as expansive as the Cosmos itself. No longer was every effort futile. Instead, every effort had its reward in personal upgrading, opportunities without end. He wrote a friend:

> What a wonderful new life I have been introduced to. Never before have I realized the great power of the mind . . . it actually has changed my whole concept of living.

Before, John had "buttonholed" others. Now, others came to him. Previously, others ran away from his preachments. Lately, they were drawn toward his wisdom. Where he had sought, uselessly, to reform others, they now managed to reform themselves. An axiom learned in high school came to mind: "The whole is equal to the sum of its parts." John forgot the whole and concentrated on the improvement of a part. As a result, John's part of the world was changed, and thus the whole world improved.

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Essays on Liberty

IF YOU happen to be one of the fortunate 28,712 people who are on the mailing list of The Foundation for Economic Education, Inc., you know all about the vital pamphlets and releases proclaiming liberty that issue periodically from its editorial sanctum at Irvington-on-Hudson. The Foundation is by any count a remarkable institution. It was founded six years ago by Leonard E. Read, formerly the Manager of the Los Angeles Chamber of Commerce and Executive Vice President of the National Industrial Conference Board.

Mr. Read is a curious mixture of American go-getter, Tolstoyan Christian, Herbert Spencer libertarian and dedicated medieval monk. Every strand of his personality is entwined in his Foundation, which, in Emersonian terms, is simply the lengthened shadow of the man. The Foundation, which has a most capable staff of economists and libertarian thinkers, lives on voluntary contributions, which it never solicits. Mr. Read holds to the Emersonian belief that a good mouse trap advertises itself by its own goodness—and the world of people who wish to see all totalitarians, Statists, Welfare Staters and believers in political compulsion at the bottom of the ocean (figuratively speaking, of course) has been beating a path to his door.

Recently the Foundation published a book, "Essays on Liberty." Consisting of the cream of the Foundation's releases to date, this book is

From The Freeman of July 14, 1952, a fortnightly for individualists, of which Mr. Chamberlain served as one of the editors.

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the definitive answer to the captive intellectuals of the New-Fair Deal in America and to the various issues of Fabian Essays which have, over the course of three or four generations, rotted out the entire social fabric of Great Britain.

In this book we have such notable things as Dean Russell's discovery that the first Leftists in the French Revolutionary National Constituent Assembly in 1789 were libertarians who were pledged to free their economy from government-guaranteed special privileges of guilds, unions and associations whose members were banded together to interfere with the workings of the free market. These first Leftists, as Mr. Russell succinctly tells the story, held a slim majority in their parliament for two years. They did a remarkable job of confounding authoritarians. Then they were bowled over by the Jacobins, the terroristic Leninists of their day.

The tragedy that flowed from Robespierre's and Marat's despicable Statist counter-revolution has bedeviled the world ever since. Not only did it pervert the whole vocabulary of freedom; it also established the theory of the totalitarian "general will" which permits any majority, whether "transient" or not, to ride roughshod over the God-given natural rights of the minority. In the guise of killing royal totalitarianism it popularized the totalitarianism of 51 per cent of the population—and the supposedly individualistic peoples of western Europe have been kowtowing to this totalitarian conception since that evil day when the first head spurted blood under the guillotine that was set up in the name of liberty, equality and fraternity.

Developments After 1933

In America, as Betty Knowles Hunt and other contributors to Mr. Read's book make plain, the complex of ideas flowing from the Robespierrean counter-revolution never managed to become domesticated until after 1933. In Europe they had rent control and a concomitant shortage of houses, as Bertrand de Jouvenel shows in an excellent paper in this book, but in America a people free of rent control could rebuild the entire city of San Francisco after an earthquake in what amounts to the twinkling of a gnat's eye. In England, as Sir Ernest Benn says in an essay called "Rights for Robots," the Webbs and the other Fabians robbed the people of their Christian heritage of individual responsibility (which nurtures the divine, or the creative, spark), but in America (see W. M. Curtiss's amusing "Athletes, Taxes, Inflation") a Babe Ruth who climbed out of an orphanage to hit sixty home runs in a single year could reap the full reward for a highly individualized skill.

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The period of Babe Ruth's development and ascendancy preceded, of course, the reign of Franklin I. After 1933 came the deluge, which is measured accurately by the cosmic water meters operated by Maxwell Anderson, C. L. Dickinson, Russell Clinchy, W. M. Curtiss, F. A. Harper and other contributors to Mr. Read's volume.

Not that these people deal in personalities: Mr. Read's genius is for collecting writers whose self-imposed duty is patiently to explain the principles (or the perversions of principles) that underlie the antics and convolutions of the various saints and devils who have been struggling for the control of our destiny. The approach in "Essays on Liberty" is not that of daily, weekly or fortnightly journalism, which must inevitably deal to some extent in the personalities that make or mar principles. Mr. Read's idea is to plant seeds that will mature in the fullness of time; he doesn't aspire to compete in immediacy with the editors of papers and magazines.

Nevertheless, Mr. Read is a journalist on a high level; he knows that principles (or their lack) are at the bottom of elections, wars, and legislative and administrative acts. The thing that distinguishes Mr. Read from most of our journalists is that he seeks to assess personalities in terms of their basic philosophies. Long ago, as a young Chamber of Commerce man in the San Francisco region of California, Mr. Read was a Light Brigade soldier who simply executed the commands from on high. In those days the national Chamber of Commerce, under Henry Harriman, was promoting what amounted to trade association fascism. (It was the Harriman thinking that created the Blue-Eagled NRA, that ill-starred adventure in price-wage-and-production fixing that had us all salaaming to Iron Pants Johnson in the days of the first New Deal.)

Read Meets Mullendore: A Conversion to Freedom

A crusader then as now, Mr. Read went down from San Francisco to Los Angeles in 1932 to lecture W. C. Mullendore of the Southern California Edison Company on the virtues of NRA-ism. The trip south was his Road to Damascus, for in the space of an hour the persuasive Mr. Mullendore tore all of Mr. Read's thinking apart. The new Saul-become-Paul emerged from the Mullendore presence a changed man, a firm believer in freedom and voluntarism in all their phases, social, political and economic. The session with Mr. Mullendore was a pedagogical revelation to the young Mr. Read. It started him thinking about techniques and means of bringing collectivists of one stripe or another to a full realization of the Slave State implications of their position. As Mr.

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Read thinks back on it, The Foundation for Economic Education—and the "Essays on Liberty"—were really born in Mr. Mullendore's office that day.

Like most men of individualistic distinction, Mr. Read is not a mere product of our more conventional educational institutions. He learned the rough way. In World War I he was dumped from the torpedoed *Tuscania* into the Irish Sea. Saved from a watery grave, he knocked about England in war camps as a rigger in America's pioneer air force, learning the truth that you can't fake or fudge a problem in mechanics. He came home to take on Chamber of Commerce jobs in Palo Alto and San Francisco. During his years with the Los Angeles Chamber of Commerce he had a wonderful time fighting the myriad versions of collectivist lunacy that flourished on the Pacific Coast in the wake of Ham-and-Eggism, Townsendism, and Upton Sinclair's attempt to hornswoggle the voters with his EPIC (End Poverty in California) platform.

With Mullendore and others he started the Freeman Pamphleteers, a group which gaily revived such forgotten individualistic worthies as Bastiat and William Graham Sumner. Meanwhile, as a hobby, Mr. Read was exploring the fascinations of good food, and making himself into a *cordon bleu* cook. He can look at a complicated recipe in a cookbook and taste the thing accurately in his mind. Since he can also smell a believer in State compulsion fifty or even a hundred miles away, Mr. Read is a fit candidate for some of Professor Rhine's future investigations into extra-sensory perception. He is a canny and extremely perceptive man with a vested interest in other people's variations, and if his assembled "Essays on Liberty" were to be made even an elective part of our school curriculum America might have a new birth of freedom virtually overnight.

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Books by Leonard E. Read

The following 23 books by Leonard Read are available, some in cloth, others in paperback. For ordering information and special quantity discounts contact: The Foundation for Economic Education, Inc., Irvington-on-Hudson, New York 10533.

Accent on the Right
Anything That's Peaceful
Awake for Freedom's Sake
Castles in the Air
Comes the Dawn
The Coming Aristocracy
Deeper Than You Think
Elements of Libertarian Leadership
The Freedom Freeway
The Free Market and Its Enemy
Having My Way
How Do We Know?
Let Freedom Reign
Liberty: Legacy of Truth
The Love of Liberty
The Path of Duty
Seeds of Progress
Talking to Myself
Then Truth Will Out
Thoughts Rule the World
To Free or Freeze
Vision
Who's Listening?

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IDEAS HAVE CONSEQUENCES

Any idea becomes our own as we are exposed to it and accept it and practice it and can explain it to friends—all done without coercion.

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If you're already on the mailing list, but have a new address, please use this form to let us know of the change and to minimize any delays in delivery.

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Those Things Called Money (1975) 659

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Flight from Integrity (1959) 670

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The Magic of Believing (1959) 690

I, Pencil (1958) 691

On Improving the World (1960) 697

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